

CICL Member Update May 2019

Co-operative Limited

Water trading end of season - CICL and WaterMart will cease to process annual (temporary) water trades from 4pm Friday 31 May 2019.

Single Farming Units (SFU) - end of season accounting closes 4pm 31 May 2019

If you operate within a SFU it is your responsibility to contact Therese Chauncy prior to 4pm 31 May 2019 to distribute your 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 a 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 from 2018/19 to 2019/20 -

Water is automatically carried over on general security Class B water entitlement up to 30 percent of the water entitlements. There is no carryover on high security or stock and garden water entitlements.

Allocation account limits apply which means the maximum volume in your general security allocation account in 2019/20 is 100 percent including carryover and nett of any annual trade.

CICL's rules are the same as the rules applying to Water Access Licences in the Murrumbidgee Regulated Water Sharing Plan.

Water Operations end of season - The Main Offtake was closed as planned on Wednesday 1 May 2019, in preparation for winter maintenance.

Ordering of water using the web and phone Waterways service **will not** be available after 5pm Friday 17 May 2019. Please place all orders through the Water Operations' team beyond this date. Water deliveries should be able to continue as planned, with system draining commencing from Monday 20 May 2019. Please ensure that all stock and garden dams are filled prior to this, if required.

NSW Department of Industry Allocation announcements

1/5/19

High Security	95%
General Security	7%

The last 2019 allocation announcement is due on Wednesday 15 May 2019.

CICL announcement and offers

Member benefit	10%
Additional offers	8%

Waterways

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

P: 1300 850 105

End of season key dates

WaterMart

Closes 4pm Friday 31 May 2019

Allocation trade

Internal and external trade closes 4pm Friday 31 May 2019

Inter-valley trade

Trade into the Murrumbidgee is closed.

For up to date information on the IVT go to

<https://www.waternsw.com.au/customer-service/ordering-trading-and-pricing/trading/murrumbidgee>.

Note: interstate trade closed Tuesday 30 April 2019

Maintenance department contacts - CICL has made some changes to the first point of contact for issues requiring attention from our Asset and Maintenance Department.

Please contact Bill Trengrove on M: 0429 785 221 or Graham White on M: 0427 544 002 for any questions in relation to:

- Infrastructure maintenance
- Plant or equipment hire
- Geofabric purchase
- Routine contractor questions.

Kevin Kelly is the contact for technical maintenance questions on M: 0428 544 272.

2018/19 invoices – CICAL will issue its 2018/19 invoices in late June, with the payment due by 31 July 2019. Also due is payment for the Member Additional Water Offers, accepted by customers. The invoices are based on CICAL's repriced 2018/19 Water Access Fees announced in April and include the Government charges, nett of the fixed charge drought rebate.

Winter works – This winter we have a number of sites across our area of operations where we will be using traffic control.

We ask you to slow down to the sign posted speed limit at worksites. This is important to the safety of our staff and contractors. This year we are planning to limit the use of traffic lights, in preference using stop/slow hand held bat operators to manage traffic flow. This option is more expensive than the use of traffic lights, however, we believe this option will be safer for our operators, as last year we had instances of vehicles ignoring the red traffic lights at work sites.

Outlet accuracy testing - CICAL is committed to continual improvement in all aspects of its operations. An important component is checking meter accuracy. Operational staff test every customer's Flumegate™ outlet twice per season. In addition, CICAL commission an independent specialist to test approximately five percent of the outlet gates. We use a different specialist each year. This year the independent testing was undertaken by a senior technician from Southern Rural Water in Gippsland. In addition to the field testing, time is set aside to discuss industry technology in general, issues within their own network and improvements. This helps ensure CICAL stays abreast of emerging technologies and improvements.

This season CICAL replaced / upgraded pump extraction meters along the West Coleambally Channel, within the irrigation district and the horticultural areas. A replacement program is in place to ensure all Stock and Garden meters remain accurate and reliable.

Customer service project – One of our strategic objectives is to improve our engagement with members. As part of this strategy we commenced work on a project to

improve our customer service to members. The key project officer for this work, Jane McIntyre, has been working with our board, staff and most recently with our focus group to clearly define our customer service but also to identify opportunities to improve our customer service. Thank you to our focus group members who provided some excellent feedback and ideas to this project. CICAL will provide an update on this work at a future breakfast meeting.

Community Environmental Reference Committee (CERC) – Nominations for the CERC Representatives from the Coly and Argoon regions will open on Friday 17 May and close at 12 noon on Thursday 13 June. Those members with landholdings in the Coly and Argoon regions will receive a nomination form in the post next week. CICAL will also be seeking a nomination from the West Coleambally Channel. The CERC members have a three year term, existing members, retiring by rotation are eligible to re-apply. For further information please contact the Company Secretary on T: 02 6954 4003.

External issues

Murrumbidgee Water Resource Plan – CICAL understands the draft Murrumbidgee Water Resource Plan and the draft Regulated and Unregulated Murrumbidgee Water Sharing Plans will go on public exhibition in late May or early June 2019. There will be public meetings in Jerilderie and Griffith in June and customers are encouraged to attend. CICAL will confirm the date, time and venue of the public meetings when they are announced.

Federal election – CICAL is a member of both NSW and National Irrigators' Councils. Both of these organisations have developed election platforms which can be found at the following links.

NSW Irrigators' Council

<http://www.nswic.org.au/wordpress/wp-content/uploads/2019/04/Federal-Election-Platform-2019.pdf>

National Irrigators' Council

https://www.irrigators.org.au/wp-content/uploads/2019/04/NIC_federal_election_2019_WATER.pdf

CICL supports both of these organisations in their efforts to ensure irrigators and regional communities are not exposed to political trade-offs during the election campaign.

CICL is well aware of the populous calls for the Basin Plan to be paused and/or for a Royal Commission into the Basin Plan. However this is not our position. It is our considered view that any pause and review of the Basin Plan in the current environment will disadvantage irrigators and this region. This does not mean we are not concerned about the impact of the Basin Plan and the risks if there is more productive water transferred to the environment. Our position is as follows.

- Stable policy with bi-partisan support, so we do not have increased exposure to politics.
- No more buy back and no more productive water out of the consumptive pool. The cumulative impacts of water reforms are being felt in the Irrigation Corporations and southern Basin irrigation sectors and any further removal of productive water is going to exacerbate the cumulative impact of water reform on industry, communities and structural adjustment pressures.
- Time and flexibility to implement the Sustainable Diversion Limit Adjustment Mechanism projects properly.
- Decisions that protect and not attenuate property rights to water or by stealth impact the yield and reliability of water entitlements, in particular from environmental water delivery.
- No changes to the characteristics of water purchased from irrigation farmers for the environment, including delivery arrangements.
- Accountability for environmental water use and evidence that environmental water use is delivering outcomes.
- Genuine commitments to complementary measures (fish passage etc.) and a shift in thinking from "just add water".

National Irrigators' Sustainable Stories –

NIC has been working on increasing their social media profile with stories about irrigators and their positive work to improve the environment. The following page is a link to this work.

<https://www.facebook.com/Sustainable-Stories-198378050827861/>

The target audience is in urban areas but it is important to build the "likes" on the page from people who support irrigators as well as from our target audience. For those of our members who are on facebook we encourage you to "like" this work. Two clicks will do it, click onto the [Sustainable Stories facebook page](https://www.facebook.com/Sustainable-Stories-198378050827861/) link and then click "like".

Flood Plain Harvesting – At the end of April our Chairman, Peter Sheppard, Jenny McLeod and I had the opportunity to learn first hand about flood plain harvesting and what is involved in the issuing of flood plain harvesting licences in the northern Basin. Southern irrigators were hosted by Gwydir Valley Irrigators and Namoi Water on a two day tour in the Gwydir and Namoi valleys. Northern irrigators highlighted the importance of flood plain harvesting to their business operations. Key points about Flood Plain Harvesting:

- The NSW Floodplain harvesting policy is the mechanism for licensing floodplain harvesting extractions.
- The current policy is being implemented with Commonwealth Funding. The NSW Government intends to issue volumetric licences for floodplain harvesting.
- The flood plain harvesting volume is part of the NSW Water Sharing Plan limits and therefore included in the Murray Darling Basin Plan baseline diversion limit.
- The initial priority catchments are Namoi, Gwydir, Border Rivers and Macquarie.
- Improved data collection and updated models will be used to convert some of the previous system losses to a floodplain harvesting volume.
- The cut off date for eligible licensed works is 3/7/2008.
- The Government's approach to issuing flood plain harvesting licences will scale back use to each valley's Plan Limit.
- Government policy is to include rainfall run off from farms in the flood plain harvesting volume. This is the most contentious aspect of the Government's approach, with irrigators arguing that its inclusion in the volume will have significant impacts on the

volume of flood plain harvesting licenced and their farm businesses. Another contentious issue is the complexity of the monitoring requirements.

Our visit to the Gwydir and Namoi was enlightening; their farm business operations are highly reliant on their capacity to access and store water from flood events, with floodplain harvesting and supplementary water access allowing irrigators to reserve their regulated water in the storages for dry years. As a general rule, their farm businesses are significantly larger than our businesses and have adapted to a variable water supply, with both the Gwydir and Namoi experiencing periods of low or no flow and regulated water delivered in "block" releases from the storages.

Progressing implementation of the Floodplain Harvesting Policy and the issuing of volumetric licences will be an important step in controlling the volume of water extracted in the northern Basin. With the benefit of hindsight, this reform should have progressed earlier. This would have mitigated the impacts of its implementation.

More information on NSW Floodplain Harvesting policy can be found at <https://www.industry.nsw.gov.au/water/plans-programs/healthy-floodplains-project/harvesting>

WaterNSW insights - WaterNSW are aiming to improve the transparency of NSW's water management by making more information available via a new interactive website. The Murrumbidgee is the first catchment to be included in the portal which can be accessed at the following link <https://waterinsights.watarnsw.com.au/>

NSW Department of Industry Water Trade dashboard – The Department has recently released a new online dashboard that provides permanent and annual trade data including values. Initially the dashboard will be updated weekly and it can be accessed at the following link <https://www.industry.nsw.gov.au/water/licensing-trade/trade/dashboard>

Rural Financial Counsellor – Airlie Hoskins has taken over from Graham Christie who is now based in Albury. Given the current dry conditions there is a lot that is available to primary producers in the way of government support. If you would like to see what you may be eligible for please contact Airlie who is also able to assist you with cash flow management and business planning for the coming season.

Airlie can also assist with applications for the NSW RAA Farm Innovation Fund loan which is a fixed low interest (2.5%) long term loan of up to \$250,000 to help carry out permanent farm works that have significant long term benefits or mitigate adverse seasonal conditions. For example, the funds can be used for water and bore infrastructure and earthworks for irrigation improvements.

Airlie is looking into organising some local training in the second half of the year on the Agdata farm management software 'Phoenix' and/or budgeting training under the NSW RAA Farm Business Skills subsidy which will subsidise up to 50% of the cost. Please get in touch if this would be of interest. The Rural Financial Counselling Service is a free and confidential service available to primary producers. Airlie's contact details are T: 02 6954 4179, M: 0429 396 729, E: ahoskins@rfcsnsw-sr.com.au

Conclusion – All eyes are looking to the weather to deliver an improved season in 2019/20. The recent local rain was welcome and I hope it is the start of improved seasonal conditions. I am pleased CICAL has been able to reprice its charges to customers in 2018/19. This benefit, combined with the opportunities provided by the member benefit and additional water offers, will assist our members and customers maintain their businesses during this difficult business environment. The political focus on the Murray Darling Basin Plan and water sharing arrangement during both the State and Federal elections demonstrates the importance of the irrigation industry being cohesive and effective advocates, in an increasingly fragmented political environment.

Clifford Ashby CEO