



# Tasmanian Irrigation

## Pre-Season announcement 2021-22

### Snapshot:

Irrigation scheme:	Kindred North Motton Irrigation Scheme
Season opening date:	1st November 2021
Allocation percentage:	100%
Season length :	150 Days



The allocation percentage prescribes the volume of your entitlement which you can access during the season.

Welcome to the 2020-21 Newsletter and what a great start to the season. Tasmanian Irrigation would like to provide some relevant information and as the season proceeds we will update you further.

### Trading

If you require more water or a higher flow rate per day than your current entitlement or delivery right, you will need to trade volume or flow rate with another irrigator on the Scheme. Application forms are located on the TI website under the 'Forms' section in the 'Quick links' menu on the Homepage. TI's preference is that trades are completed prior to the delivery of the water and not at the end of the season. If you need assistance with trading please contact Peter Clarke, KNMIS Scheme Operator.

### Annual Charges

Please find attached the annual charge rates for the 2021-22 season which have been set and agreed in consultation with your Irrigator Representative Committee.

Annual charges are also published on the TI website for your reference.

The annual fixed charges have increased by \$12.98 per megalitre. This increase is due to: \$2.79/ML R & M required on the dam, which is \$15,000 allocated to installation of new toe drain on the dam – There is a seepage area which is being closely monitored. It is a dam compliance requirement and works need to be completed to install and construct a v notch weir. \$2.67/ML increase in employee benefits which is a relief operator being shared by all schemes), \$2.05/ML for general repairs and maintenance on the scheme, \$2.03/ML to accommodate the 20 year Dam Safety Review, \$1.72/ML on Operational overheads and \$1.37/ML for administration overheads which represents 5% increase from FY20 due to Covid 19 related costs.

The variable charge has decreased Variable Charges Propose a reduction due to more favourable retail electricity contract. It is expected that electricity costs will likely increase slightly next year.

### Maintenance Tasks for 2021/22 (Below)

Maintenance Task	Location	Cost (\$)			
		FY22	FY23	FY24	FY25
Weed & vegetation management	Scheme wide	\$ 600.00	\$ 600.00	\$ 600.00	\$ 600.00
Vermin control	Scheme wide	\$ 400.00	\$ 400.00	\$ 400.00	\$ 400.00
Air valve, control valve, pressure relief valve maint	Scheme wide	\$ 350.00	\$ 350.00	\$ 350.00	\$ 350.00
Property outlet maintenance - allowance	Scheme wide	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Reactive maintenance - allowance	Scheme wide	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00
LV switchboard inspection, thermography & clean	Forth PSTN		\$ 880.00		\$ 880.00
Softstarter cooling fan replacement	Forth PSTN			\$ 900.00	
LV Switchboard cabinet cooling fan replacement	Forth PSTN			\$ 600.00	
Annual inlet screen inspection clean out & sediment removal	Forth PSTN	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Wet well clean out and inspection	Forth PSTN	\$ 2,000.00		\$ 2,000.00	
Repair anti cavitation valve	Forth PSTN	\$ 1,450.00			
Pump vibration & temperature assessments	Spalford PSTN	\$ 800.00	\$ 800.00	\$ 800.00	\$ 800.00
Pump & motor lubrication	Spalford PSTN	\$ 125.00	\$ 125.00	\$ 125.00	\$ 125.00
LV switchboard inspection, thermography & clean	Spalford PSTN		\$ 880.00		\$ 880.00
VSD & Softstarter cooling fan replacement	Spalford PSTN			\$ 400.00	
Hydraulic performance assessments	Scheme wide				\$ 500.00
<b>Total</b>		<b>\$ 12,225.00</b>	<b>\$ 10,535.00</b>	<b>\$ 12,675.00</b>	<b>\$ 11,035.00</b>

## Working Capital

It has been identified through our new modelling program and an extensive audit on all our schemes, that Kindred North Motton Scheme's working capital balances are well below what is required to be self-sufficient and meet the monthly expenditure profile.

Scheme revenues are not received for 8 to 9 months (Feb/Mar) after the beginning of the financial year in July, and therefore the scheme runs large deficits for this long period. TI have a policy that all schemes need to maintain a working capital balance equivalent to 12 months of expenses to meet the expenditure commitments.

As the KNMIS does not meet this requirement, and is

deficient, a short-to-medium term strategy is required to be initiated next year to rectify the situation and build up the working capital balance.

TI funds the operations of each individual irrigation scheme on a cost recovery basis. It has no funding source to allow deferral of expenditure from one season to another. TI has a mandate that each scheme is stand alone for financial management purposes. As you are aware, all schemes are "ring fenced" and each scheme must not rely on TI's group finances. However, in the meantime, TI will continue to support and assist in subsidising the scheme, until it can support itself.

## Your Contact Details

If any of your contact details have changed, please advise us as soon as possible



## Scheme Contacts

### Irrigator Representative Committee:

Coby Badcock	0466 879 475	Coby.badcock@outlook.com
John McKenna	0417 515 367	jmechobank@bigpond.com
Josh Langmaid	0418 329 508	Joshlangmaid@internode.on.net
Neil Armstrong (Chair)	0419 180 095	narmstrong@harvestmoon.com.au
Neil Johnson	0419 581 590	lou_neil@bigpond.com
Scott Hill	0438 744 312	shill@pyrethrum.com.au

### Scheme Operator:

Peter Clarke	0419 047 025	peter.clarke@tasirrigation.com.au
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This newsletter contains information of a general nature and reasonable care has been taken to ensure accuracy at the time of publication. Scheme details and policies may change and individual circumstances may vary. This newsletter should not be relied upon as a basis of individual decision-making. For more information and details regarding the articles in this issue, please contact:

Tasmanian Irrigation Pty Ltd, PO BOX 84 Evandale, TAS, 7212.

Ph: 03 6398 8433 [www.tasirrigation.com.au](http://www.tasirrigation.com.au)

If you would prefer to receive this newsletter via post please contact us at [Enquiries@tasirrigation.com.au](mailto:Enquiries@tasirrigation.com.au).

# Kindred North Motton Irrigation District

Charge rates: 2021-22



## In-season annual charges for water entitlements

	2020-21 (\$/ML)	2021-22 (\$/ML)	Change (\$)	Change (%)
<b>Fixed charges*</b>				
Operation & maintenance charge	\$ 80.64	\$ 92.71	\$ 12.06	15.0%
Asset renewal levy	\$ 31.01	\$ 31.63	\$ 0.62	2.0%
Storage charge**	\$ -	\$ -	\$ -	0.0%
<b>Total</b>	<b>\$ 111.65</b>	<b>\$ 124.33</b>	<b>\$ 12.68</b>	<b>11.4%</b>
<b>Variable charges</b>				
<b>Off-peak***</b>				
Forth Pump Station only - off peak	\$ 89.59	\$ 89.27	\$ (0.32)	(0.4%)
Sprent Dam Pump Station (Main Line) - off peak	\$ 107.15	\$ 106.16	\$ (0.99)	(0.9%)
Sprent Dam Pump Station (Sprent Line) - off peak	\$ 123.74	\$ 122.11	\$ (1.63)	(1.3%)
<b>Peak****</b>				
Forth Pump Station only - peak	\$ 108.57	\$ 105.41	\$ (3.16)	(2.9%)
Sprent Dam Pump Station (Main Line) - peak	\$ 126.13	\$ 122.30	\$ (3.83)	(3.0%)
Sprent Dam Pump Station (Sprent Line) - peak	\$ 142.72	\$ 138.25	\$ (4.47)	(3.1%)

\* Fixed charges: payable on current entitlement holdings on the opening day of the irrigation season.

\*\* Storage charges: a fixed charge to replenish storage losses in the scheme, such as evaporation.

\*\*\* Off-peak variable charges are payable on water that is supplied to you during the irrigation season under your off-peak allocation.

\*\*\*\* Peak variable charges are payable on water that is supplied to you during the irrigation season under your peak allocation if a peak electricity cost is incurred.

## Excess water charges - for unauthorised use of additional volume

Excess Water Charges*	2021-22 (\$/ML)
Forth Pump Station only	\$ 450.00
Sprent Dam Pump Station (Main Line)	\$ 450.00
Sprent Dam Pump Station (Sprent Line)	\$ 450.00

\* Excess water charges: payable for each additional megalitre (or part of a megalitre) of water taken, in addition to your authorised volume under your water entitlement, during the irrigation season. These rates have been set within the By-Laws for your scheme.

## Out of season (general availability) water charges

Out of season water charges*	2020-21 (\$/ML)	2021-22 (\$/ML)	Change (\$)	Change (%)
<b>Normal out of season charges**</b>				
Forth Pump Station only	\$ 245.02	\$ 256.09	\$ 11.07	4.5%
Sprent Dam Pump Station (Main Line)	\$ 269.92	\$ 276.32	\$ 6.40	2.4%
Sprent Dam Pump Station (Sprent Line)	\$ 290.36	\$ 296.36	\$ 6.00	2.1%
<b>Excess out of season charges</b>				
Forth Pump Station only	\$ 313.66	\$ 325.73	\$ 12.07	3.8%
Sprent Dam Pump Station (Main Line)	\$ 338.56	\$ 345.96	\$ 7.40	2.2%
Sprent Dam Pump Station (Sprent Line)	\$ 359.00	\$ 366.00	\$ 7.00	1.9%

\* Out of season water charges: payable on water supplied outside the irrigation season by agreement with Tasmanian Irrigation.

\*\* Normal out of season charges: available to irrigators who hold current entitlement in the irrigation district and only up to the level of their respective holdings.

## Unsold water in scheme

Areas with unsold water*	Unsold Water (ML)	2021-22 (\$/ML)		
Abbottsham Zone 1	180.00	\$ 1,390.00		
Kindred Zone 1	290.00	\$ 1,390.00		
Sprent Zone 1	60.00	\$ 1,390.00		

\* These zones at the time of releasing season pricing had unsold water. To check whether these zones still have unsold water, please view the Water Entitlements For Sale section on our website or contact us on (03) 6398 8433.

Note the price increases effective 1st July each year until all water is sold.

## Rates to lease available capacity from Tasmanian Irrigation

If Tasmanian Irrigation holds unsold capacity in your area, you may be able to lease additional water entitlements by arrangement, for delivery during the irrigation season. Where available, you may choose to lease irrigation right volume, delivery right flow rate, or both. Please contact us if you wish to enquire about leasing additional water entitlements.

Annual Fixed Charges and Annual Variable Charges will apply to additional leased volumes.

Lease rates where capacity is available:	2021-22 (\$/ML)
All zones	\$ 111.20

## Interest for late payments

In accordance with the by-laws for the district, Tasmanian Irrigation may issue interest charges when payment is not received within the standard terms of each invoice (30 days). **This will be charged at the rate two per cent (2%) per annum above the 3 month Australian Bank Bill Swap Bid Rate (BBSY).**

***You will be unable to trade your water entitlements if your account is in arrears.***

Tasmanian Irrigation understands that on some occasions our customers may experience times of financial hardship due to circumstances outside of their control. As such, you may choose to apply for a payment plan under our Financial Hardship Policy.

## Other charges

Permanent transfer application fee	\$	77.00	Including GST	
Limited term transfer application fee	\$	77.00	Including GST	
Short term transfer application fee	\$	-	Including GST	
Registration, transfer, variation, or discharge of security interest	\$	77.00	Including GST	
Copy of water entitlement extract	\$	33.00	Including GST	

## Further information:

Water charges are levied by Tasmanian Irrigation to recover the costs of operating, maintaining and administering irrigation districts.

In all irrigation districts, a **Fixed Charge** is levied on the volume of your irrigation right holdings on the first day of the irrigation season and is payable regardless of whether water has been consumed.

The Fixed Charge can have up to three components:

- > **Operation & Maintenance** charge recovers the costs for running the scheme which don't normally change materially with the volume of water supplied during a season. This includes costs relating to employment of scheme operators, motor vehicle costs, maintenance, telemetry, compliance, administration, finance and insurance.
- > **Asset Renewal Levy** makes provision for major asset repairs and replacements required to ensure the continuing operation of the district.
- > **Storage Charge** (some districts): recovers costs of pumping any evaporation or seepage losses into the main water storage.

Most irrigation districts also include a **Variable Charge** which is levied on the volume of water ordered or consumed by each irrigator, to recover electricity costs for pumping and water purchase costs incurred by Tasmanian Irrigation. The variable charge is based on the cost to deliver water to the various charge zones. Variable Charges are invoiced following the end of the irrigation season or delivery period.

**Excess Water Charges can be avoided entirely by ensuring you have sufficient allocation:**

- > Monitor your usage (contact your Scheme Operator if you require assistance).
- > Contact us if you have any questions about your allocation, trading or usage.
- > Trade any required additional allocation. We are unable to accept retrospective trades.

To assist buyers and sellers of water entitlements with establishing trading connections, Tasmanian Irrigation provides a free **Water Trading Notice Board** on our website. This allows parties to advertise their interest in buying, selling or leasing water entitlements. You can access the Notice Board via Tasmanian Irrigation's website: [www.tasirrigation.com.au](http://www.tasirrigation.com.au).

All annual water charges are retained within the separate irrigation schemes to be used for the benefit of the irrigators.

If you have any questions, please contact our office on 03 6398 8433 or [enquiries@tasirrigation.com.au](mailto:enquiries@tasirrigation.com.au).