



Tasmanian Irrigation

Pre-Season announcement 2021-22

Snapshot:

Irrigation scheme: North Esk Irrigation Scheme

Season opening date: 22 November 2021

Allocation percentage: 100%

Nominal Season length: 150 days



Welcome to your 2021-22 Newsletter.

Thankfully another great start to spring. TI 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 Troy Wells or Cameron Walker, NEIS Scheme Operators.

Why do we have a nominated Season length?

It comes down to ensuring 95% reliability based on the original design, the water source and the operation of the scheme. We have designed a large majority of our schemes to a 95 per cent average annual reliability on the basis of the conditions applying at the time reliability was assessed and that the scheme continues to operate as it was originally designed.

Please Note: Longer seasons than those designed and con-

tracted for your scheme may adversely impact on other irrigators to trade their entitlements or delivery rights to other irrigators on the scheme. TI schemes are schemes for all irrigators. What may be a good idea to a small group, may impact others in ways that may not be considered when requesting a change in season length from the design or contractual obligations.

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 Costs have increased by \$5.07 per megalitre. The main contributors to this increase is \$1.36/ML Insurance, \$1.19 Repairs & Maintenance which also includes the dam, a \$1.11 Dam Safety Review which is a \$80k plus in 20 years now accounted for and smoothed out each year over 20 years, a \$0.84/ML for motor vehicle depreciation, \$0.72/ML for operation overheads and \$0.53/ML Administration overheads driven by Covid-19, insurance and CPI increases.

Maintenance Schedule (below)

Maintenance Task	Location	Cost (\$)			
		FY22	FY23	FY24	FY25
Weed & vegetation management	Scheme wide	\$ 700.00	\$ 700.00	\$ 700.00	\$ 700.00
Vermin control	Scheme wide	\$ 300.00	\$ 300.00	\$ 300.00	\$ 300.00
Miscellaneous materials	Scheme wide	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Air valve, control valve, pressure relief valve maint	Scheme wide	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Property outlet maintenance - allowance	Scheme wide	\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Reactive maintenance - allowance	Scheme wide	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00
Pump & Motor lubrication	North Esk & Logan PSTN	\$ 105.00	\$ 105.00	\$ 105.00	\$ 105.00
LV switchboard inspection, thermography & clean	North Esk PSTN		\$ 770.00		\$ 770.00
VSD cooling fan replacement	North Esk PSTN			\$ 900.00	
LV Switchboard cabinet cooling fan replacement	North Esk PSTN			\$ 300.00	
PQF Cooling fan replacement	North Esk PSTN	\$ 350.00			
4G Access Point Battery Replacement	North Esk PSTN			\$ 300.00	
Overhead gantry and chain block certification	North Esk PSTN	\$ 440.00	\$ 440.00	\$ 440.00	\$ 440.00
Break Tank integrity assessment	Break tank			\$ 1,200.00	
LV switchboard inspection, thermography & clean	Logan PSTN		\$ 550.00		\$ 550.00
Hydraulic performance assessments	Scheme wide		\$ 100.00		
Total		\$ 5,495.00	\$ 6,565.00	\$ 7,845.00	\$ 6,465.00

Working Capital

It has been identified through our new modelling program and an extensive audit on all our schemes, that many scheme's working capital balances are 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 NEIS scheme runs at a deficit for this sustained period. TI have a policy that all schemes are required to maintain a working capital balance equivalent to 12 months of expenses to meet the expenditure commitments.

As you are aware, all schemes are "ring fenced" and must be self-funding and they must not rely on TI's group finances. TI is prohibited to use other external sources of funds to finance and fund the scheme's operational activity. However, in the

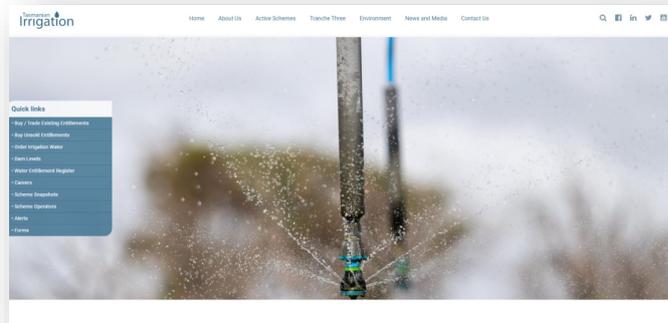


meantime, TI will continue to support and assist in subsidising the scheme, until it can support itself.

Have your contact details changed?

If any of your contact details have changed, please advise us as soon as possible at enquiries@tasirrigation.com.au.

Have you seen the new updated website? It is now your first point of reference. Check it out at; www.tasirrigation.com.au



North Esk Irrigation Scheme

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North Esk Irrigation Scheme

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Scheme Contacts

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Scheme Operators:

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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:

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If you would prefer to receive this newsletter via post please contact us at Enquiries@tasirrigation.com.au.

North Esk Irrigation District

Charge rates: 2021-22



In-season annual charges for water entitlements

	2020-21 (\$/ML)	2021-22 (\$/ML)	Change (\$)	Change (%)
Fixed charges*				
Operation & maintenance charge	\$ 49.07	\$ 56.14	\$ 7.07	14.4%
Asset renewal levy	\$ 29.69	\$ 29.69	\$ -	0.0%
Asset renewal levy discount	\$ (5.77)	\$ (7.69)	\$ (1.92)	33.3%
Storage charge**	\$ 2.48	\$ 2.40	\$ (0.08)	(3.2%)
Total	\$ 75.47	\$ 80.54	\$ 5.07	6.7%
Variable charges***				
North Esk Pump Station	\$ 22.55	\$ 20.70	\$ (1.85)	(8.2%)
Logan Pump Station	\$ 38.18	\$ 35.43	\$ (2.75)	(7.2%)

* 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.
 *** Variable charge: payable on water that is supplied to you during the irrigation season.

Excess water charges - for unauthorised use of additional volume

Excess Water Charges*	2020-21 (\$/ML)	2021-22 (\$/ML)		
North Esk Pump Station	\$ 98.00	\$ 98.00		
Logan Pump Station	\$ 116.00	\$ 116.00		

* 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)		
Normal out of season charges**				
North Esk Pump Station	\$ 98.06	\$ 102.32		
Logan Pump Station	\$ 117.16	\$ 120.75		
Excess out of season charges				
North Esk Pump Station	\$ 173.21	\$ 177.47		
Logan Pump Station	\$ 192.31	\$ 195.90		

* 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.

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.

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.