



Tasmanian Irrigation

Pre-Season announcement 2021-22

Snapshot:

Irrigation scheme: Swan Irrigation Scheme

Season opening date: 1 October 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 holder on the scheme. Trading activity on scheme is relatively passive. However, we prefer that any early trades are completed prior to the season and not at the end of the season. TI approves the transfer on the basis that it does not exceed zone capacities. If you need additional water or flow rate please contact Scott Williams, Swan Scheme Operator at the earliest in order to satisfy your requirements and complete TI's forms for the trade to be approved.

Eels

TI has addresses the eel problem with the IRC. TI could investigate the installation of a larger diameter screen which would cost approximately \$15,000 and may not guarantee elimination as the current screen is 16mm suggesting that the eels were unlikely to have come through the pipe system from the dam and more likely to have come through at a smaller size and have grown in the dam. We could also consider a finer screen but this may cause algae issues with blockages and is a cost v benefits assessment. TI recommend monitor for a couple of seasons and the IRC agreed to this action.

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.

Entitlements

Your Current Allocation is the volume of entitlement which you can access during this season - plus or minus any short term (within season) transfers.

Delivery Rights

Delivery Rights give an irrigator a right to share the capacity of the scheme to deliver water during the Irrigation Season. Delivery Rights are defined as a set flow rate in ML per day (ML/Day) in a specific zone within an Irrigation District. A known flow rate during an irrigation season provides certainty over the timing of supply. Delivery Rights are tradable and assist irrigators to plan water deliveries and manage seasonal risks. Because the delivery capacity of the scheme is not subject to seasonal change the flow rate will equal 100 percent of the entitlement held under the delivery right on the opening day of the season.

Please Note: Longer seasons than those designed and contracted 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.

Pricing—Annual Charges

Please find attached the charge rates for the 2020-21 season.

The 2021/22 pricing has been discussed with your Irrigator Representative Committee. The Price sheet can be found on our website.

The Operations and Maintenance charges have increased by \$8.07. The main contributors to this increase is a change in the operators allocation to 0.5 FTE, dam R&M at \$4,000, water quality lab costs (environmental) at \$2,782 and insurance is budgeted at \$8,945 for the 21/22 season.

Working Capital

It has been identified through our new modelling program and an extensive audit on all our schemes, that the scheme's working capital balance is well below what is required to be self-sufficient as we do not receive revenues for 8 to 9 months (Feb /March) after the beginning of the financial year in July, although all the scheme costs are paid each month.

Therefore the scheme runs a large deficit for this long period. TI have a policy that all schemes need to maintain a working balance equivalent to 12 months of expenses to meet its ongoing commitments. This scheme does not, and is a long way short, and needs to be rectified over the next 3 - 5 years. A short to medium term strategy needs to be executed in order to build up the working capital balance.

As you are aware, all schemes are "ring fenced" and must be self-funding and they must not rely on TI's group finances and



TI is prohibited to use other external sources of funds to finance and fund the scheme's operational activity. Saying this, and in the meantime, TI will continue to support and assist in subsidising the scheme, until it can support itself.

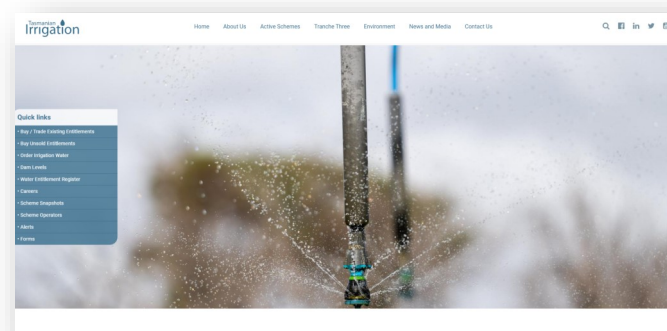
Have your contact details changed?

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

Repairs & Maintenance in 2021/22

- Electrical test and tag
- Vermin Control
- Disc Filter replacement
- Property Outlet maintenance
- Air valve, control valve and pressure relief valve maintenance

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



Scheme Contacts

Irrigator Representative Committee:

Adam Greenhill	0408 057 163	adam@galaestate.com.au
Annie Browning	0419 897 878	bobannie@iinet.net.au
Rodney Jones	0407 843 879	rodney.jones@walnutsaustralia.com.au
Tim Lyne (Chair)	0401 214 834	tim@springvalewines.com

Scheme Operator:

Scott Williams	0447 803 692	Scott.williams@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:

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

Swan Valley 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	\$ 72.98	\$ 81.05	\$ 8.07	11.1%
Asset renewal levy	\$ 49.56	\$ 50.55	\$ 0.99	2.0%
Storage charge**	\$ 2.97	\$ 3.01	\$ 0.04	1.3%
Total	\$ 125.51	\$ 134.61	\$ 9.10	7.3%
Variable charges***				
Melrose Pump Station (all areas)	\$ 26.95	\$ 24.09	\$ (2.86)	(10.6%)

* 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. At Water Sales time, this was referred to as "Transfer Charge/Unused Water Rebate".

*** 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*	2021-22 (\$/ML)
Melrose Pump Station (all areas)	\$ 300.00

* 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.

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.