

## **SINGLE FARMING UNIT POLICY**

Coleambally Irrigation seeks to assist Members who wish to combine multiple farms as a Single Farming Unit for the sole purpose of simplifying their management of allocated water across multiple farms.

It is important to note, that the SFU facility does not extend to any other areas of management. For example crop water use, irrigation intensity; on-farm incentives, amalgamation of Delivery Entitlements or capacity management. It is not to be used for the transfer of benefits or a loss of rights to a third party (ie a party outside the SFU).

### **1. ESTABLISHMENT**

- a. SFU's can only be established if all registered owners agree in writing, to form the SFU
- b. SFU's may incorporate:
  - i. landholdings within the Co-operative area of operations that is capable of accepting delivery of water from the Co-operative's infrastructure;
  - ii. landholdings serviced by surface water allocations within CICL licenced works
  - iii. Non-Member Water Entitlement Holders
- c. An SFU participant cannot be part of more than one SFU at any one time

### **2. REVIEW**

- a. Water management by all SFUs will be reviewed by the Co-operative to assess whether the facility results in third party benefits or loss of third party rights (e.g. at a time of restricted access to water supply or access to Supplementary Flows the transfer of all rights to one farm would not be permitted where it would result in other members receiving a diminished supply).

### **3. REVOCATION AND TERMINATION**

- a. The Co-operative may revoke an SFU at any time due to a breach of this policy.

### **4. DISSOLUTION OF A SINGLE FARMING UNIT AT REQUEST OF CUSTOMER**

- a. Any SFU wishing to be dissolved needs to be dissolved in its entirety,
- b. CICL require a Single Farming Unit Dissolution form to be completed and returned
  - i. with signatures from each registered owner involved in the SFU; or
  - ii. with signatures from one owner involved in the SFU, dissolution effective 30 June and, if required, payment of the \$550 dissolution fee.
- c. CICL reserve the right to impose the dissolution fee on landholders wishing to dissolve a SFU at any time. If requested, this fee must be paid before the SFU can be dissolved.
- d. CICL reserve the right to impose a separate administrative fee should customers wish to reinstate a SFU at a time in the future that contains one/some/all of the registered owners listed on the original application or dissolution request. This fee shall be established based on business costs at the time of application.
- e. If a request to dissolve the SFU is received due to the sale of land, CICL will not charge a dissolution fee.
- f. As at the date of the SFU Dissolution application, all liabilities associated with the individual farms listed under the SFU shall be recognised on the individual farms. This includes any usage that has been metered prior to the dissolution date, noting that Delivery Entitlement is unable to be temporary traded, and therefore the Fixed Charge Equivalent may be levied at the end of that season.

## 5. WATER BILLING

- a. CICL's Fixed, Outlet and Peak Flow charges and all government charges continue to be levied against each individual farm, not the SFU.
- b. Water will not be delivered to the SFU until such time as the water accounts for all landholdings within the SFU have been paid or a satisfactory payment agreement has been entered into.

## 6. FEES

- a. As of 2013/14 season, all SFUs are charged an annual administration fee of \$550 p.a. This fee takes account of the additional effort required within CICL to administer SFUs. Owners of SFUs should note that they are no longer be required to pay \$75 per temporary trade of water allocation to balance usage at the end of each season or to optimize carryover as this is encompassed in the SFU Administration fee.

## 7. ACKNOWLEDGEMENT

The registered owners of the each of the individual farms or the Non-Member Water Entitlement Holder, entering into this SFU must agree to the SFU Policy, complete the attached SFU application form and return it to CICL for approval.

Upon approval of the SFU application, each registered owner entering into this SFU acknowledges and understands that:

- the sole purpose of an SFU is to simplifying the management of allocated water across multiple farms. It is important to note, that the SFU facility does not extend to any other areas of management. For example crop water use, irrigation intensity; on-farm incentives, amalgamation of Delivery Entitlements or capacity management. It is not to be used for the transfer of benefits or a loss of rights to a third party (ie a party outside the SFU).
- CICL's Fixed Charge Equivalent (FCE) will be levied when the total SFU usage exceeds 110% of the total SFU Delivery Entitlement and charged to the first farm listed in the SFU, if applicable.
- They are allowing the SFU holder to transact, on their behalf, including transactions such as, but not limited to;
  - o Ability to order water and therefore accumulate usage
  - o Accumulation of FCE (if applicable)
  - o Ability to temporary trade allocation onto and off the Landholding/SFU
  - o Able to use any Water Distributions that are allocated to Landholding
  - o Full access to water statements and online water ordering
  - o Peak flow adjustments
  - o Retention and use of carryover
- The registered owner remains the sole beneficiary of the Water Entitlements held by them and the Water Entitlements are not automatically used as security for any obligations between the participants of the SFU. Using Water Entitlement on one farm as security on another requires formal approval, even within an SFU.
- The registered owner of the landholding and all parties to the SFU agreement are both individually and collectively responsible and liable for complying with the Rules, Policies and By-Laws of the Co-operative.



**SINGLE FARMING UNIT APPLICATION**

We acknowledge that we have read and agree to the attached 'Single Farming Unit' (SFU) policy and wish to make application to have the following farms included as a Single Farming Unit:-

<b>Farm No</b>	<b>Registered Owner</b>

Upon approval of the SFU application, each registered owner entering into this SFU acknowledges and understands that:

- The sole purpose of an SFU is to simplifying the management of allocated water across multiple farms. It is important to note, that the SFU facility does not extend to any other areas of management. For example crop water use, irrigation intensity; on-farm incentives, amalgamation of Delivery Entitlements or capacity management. It is not to be used for the transfer of benefits or a loss of rights to a third party (ie a party outside the SFU)
- CICL's Fixed Charge Equivalent will be levied when the total SFU usage exceeds 110% of the total SFU Delivery Entitlement and charged to the first farm listed in the SFU, if applicable
- The are allowing SFU holder access to the following, but not limited to;
  - o Ability to order water and therefore accumulate usage
  - o Accumulation of FCE (if applicable)
  - o Ability to temporary trade allocation onto and off the Landholding/SFU
  - o Able to use any Water Distributions that are allocated to Landholding
  - o Full access to water statements and online water ordering
  - o Peak flow adjustments
  - o Retention and use of carryover
- The registered owner remains the sole beneficiary of the Water Entitlements held by them and the Water Entitlements are not automatically used as security for any obligations between the participants of the SFU. Using Water Entitlement on one farm as security on another requires formal approval, even within an SFU
- The registered owner of the landholding and all parties to the SFU agreement are both individually and collectively responsible and liable for complying with the Rules, Policies and By-Laws of the Co-operative.

**Name and Signature of all parties involved with the application**

**Signature .....** **Signature .....**

**Name .....** **Name .....**

**Signature .....** **Signature .....**

**Name .....** **Name .....**

**Signature .....** **Signature .....**

**Name .....** **Name .....**

*Office Use Only*

- Approval Recommended  No money owing  
 Approval Not recommended – reason

Recommended by: ..... Date: .....

Authorised by: ..... Date: .....