

Information Statement

2012-2013 Water Charges

5 July 2012



Introduction

On 31 May 2012 CICL forwarded you a copy of its Network Service Plan (NSP) consistent with its obligations under the *Water Charge (Infrastructure) Rules 2010 (the Rules)*. Those same rules require CICL to also provide you an Information Statement.

The Information Statement is relevant to the period 1 July 2012 – 30 June 2017 and should be read in conjunction with CICL's 2012-13 Irrigation Season Water Charges (see page 3)

Adjustments to regulated charges reflected in the NSP

The charges reflected on page 3 vary from those reflected in the NSP for 2012-13 as follows:

- CICL's charges have been increased by 4.5% rather than the 3% projected in the NSP
- CIMCL's Members' Contribution to the Infrastructure Levy (CIMCL's Charge) for 2012-13 remains unchanged from the 2011-12 season i.e. they are 3% lower than reflected in the NSP.

By way of explanation:

- CICL's confirmed charges reflect budget considerations taken by its Board after the NSP was distributed. n.b. 3 of the 4.5% increase is expected to be absorbed by inflation
- CIMCL's confirmed charges reflect consideration of a Modern Engineering Equivalent Replacement Asset review and an Actuarial review of its Infrastructure Fund after the NSP was distributed and its decision that an increase in charges was not warranted
- The NSW State Government's water charges have increased from those a projected in the NSP.

Revenue from regulated charges

The forecast revenue for 2012-13 is based on 489,672 ML of Delivery Entitlement consisting of 477,918 General Security Delivery Entitlement and 11,754 High Security Delivery Entitlement.

Table 1 below shows the 'base' Delivery Entitlement numbers from which CICL's billing is derived. You will note that the amount of Delivery Entitlement against which CICL can bill has declined as a result of the termination of Delivery Entitlement by members when they have sold Water Entitlement either in the market place or participated in programs like PIIOP and OFIEP. However as explained in the NSP, and in CICL's 2010-11 Annual Report, CICL draws on the termination fees that have been paid on the 59,464 Delivery Entitlements that has been terminated so that the holders of the remaining 430,136 DE are not impacted by the reduction. As also indicated in the NSP, this is but one of the ways that CICL can utilize termination fees and CICL's Board reserves the right to use the termination fees in other ways that would also benefit members should it consider that there is a more appropriate use of the fees.

Table 1

	Delivery Entitlement at 1/7/2008	Delivery Entitlement at 30/6/2012	Reduction
General Security DE held by members	477,918	418,454	59,464
High Security DE held by members	11,754	11,682	72
Total	489,672	430,136	59,536

Table 2 provides a comparison of what CICL and CIMCL now expect to collect from water related charges versus that indicated in the NSP

Table 2

Charge	Billing Base	Budget Rate	Budget Total Revenue	NSP Base	NSP Rate	NSP Total Revenue
CICL GS Access	418579	\$ 11.51	\$ 4,817,844.29	418579	\$ 11.34	\$ 4,746,811.43
CICL HS Access	8386	\$ 19.87	\$ 166,629.82	8386	\$ 19.59	\$ 164,286.77
CICL G Class Access	3442	\$ 20.92	\$ 72,006.64	3442	\$ 20.62	\$ 70,976.11
CICL Compliance	430407	\$ 0.99	\$ 426,102.93	430407	\$ 0.98	\$ 421,153.25
CICL Peak Flow	8240	\$ 53.82	\$ 443,476.80	6862	\$ 53.05	\$ 363,994.79
CICL S&G Outlet	124	\$ 215.20	\$ 26,684.80	124	\$ 212.18	\$ 26,310.32
CICL Small Outlet	90	\$ 538.17	\$ 48,435.30	90	\$ 530.45	\$ 47,740.50
CICL Large Outlet	507	\$ 861.08	\$ 436,567.56	507	\$ 848.72	\$ 430,301.04
CICL Lease Agreements			\$ 5,000.00			\$ 5,000.00
CIMCL levy (excl GST)	430407	\$ 3.00	\$ 1,291,221.00	430407	\$ 3.09	\$ 1,329,957.63
Government Access GS	413887	\$ 2.78	\$ 1,150,605.86	413887	\$ 2.71	\$ 1,121,178.49
Government Access HS	18554	\$ 3.99	\$ 74,030.46	18554	\$ 3.65	\$ 67,651.59
Government Usage	253645	\$ 4.47	\$ 1,133,793.15	253645	\$ 4.00	\$ 1,013,666.88
TOTAL WATER REVEUE COLLECTED			\$ 10,092,398.61			\$ 9,809,028.81
Less the following Dispersements to other entities			-			-
National Irrigators Council Levy			-\$ 30,000.00			-\$ 30,000.00
NSW Irrigators Council Levy			-\$ 21,000.00			-\$ 21,000.00
CIMCL levy (GST Exc)	430407	\$ 3.00	-\$ 1,291,221.00	430407	\$ 3.09	-\$ 1,329,957.63
Government Access GS	413887	\$ 2.78	-\$ 1,150,605.86	413887	\$ 2.71	-\$ 1,121,178.49
Government Access HS	18554	\$ 3.99	-\$ 74,030.46	18554	\$ 3.65	-\$ 67,651.59
Government Access Conveyance			-\$ 95,000.00			-\$ 95,000.00
Government Usage	253645	\$ 4.47	-\$ 1,133,793.15	253645	\$ 4.00	-\$ 1,013,666.88
FINAL CICL REVENUE			\$ 6,296,748.14			\$ 6,130,574.21

Conclusion

The key points in all of the above information are:

- Some of the information in CICL's NSP has been updated in the light of business decisions taken or information received after the NSP was published and where that is the case, the revised numbers are contained in this Information Statement.
- CICL's water charges remain as advised to you on 14 June 2012.

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**2012-2013 Irrigation Season Water Charges
 Coleambally Irrigation Co-operative Charges**

Charge	A class High Security Delivery Entitlement	B class General Security Delivery Entitlement	G class High Security Delivery Entitlement
CICL Access Fee	\$19.87 / DE	\$11.51 / DE	\$20.92 / DE
Compliance Fee	\$ 0.99 / DE	\$ 0.99 / DE	\$ 0.99 / DE
CIMCL Levy	\$ 3.30 / DE (incl GST)	\$ 3.30 / DE (incl GST)	\$ 3.30 / DE (incl GST)
TOTAL	\$24.16 / DE	\$15.80 / DE	\$25.21 / DE

Outlet Charge	
S&G Outlet Charge (Stock & Garden outlet)	\$215.20 per small outlet (less than 70mm diameter) - not real time
Small Outlet Charge (Horticulture outlet)	\$538.17 per large outlet (greater than 70 mm diameter - not real time delivering a maximum flow of 3 ML/day)
Large Outlet Charge (common irrigation outlet)	\$861.08 per large outlet – real time metering (flumegate, MACE, Magflo Propeller etc.)

Peak Flow Charge	
Peak Flow Charge	\$53.82 per ML peak flow for each outlet Peak flow will be chosen by the landowner within following range: Large Flume - 12 to 30 ML per day Small Flume - 6 to 12 ML/day (higher if able) - for a MACE, Magflo

Fixed Charge Equivalent	
Levied on metered use exceeding Delivery Entitlement on Farm	\$15.80/ML of usage exceeding DE

Connection Charge	
Connection Charge	Determined on a case by case basis, dependent on location and engineering requirements. Applicant advised of costs prior to commencement of works.

Termination Fees

Product terminated	Fee based on	Fee Payable	Payable To
High Security Delivery Entitlement	No. of DE terminated	\$208.60 + \$20.86 GST = \$229.46	CICL
		\$ 30.00 + \$ 3.00 GST = \$ 33.00	CIMCL
		\$262.46 inclusive of GST	
General Security Delivery Entitlement	No. of DE terminated	\$125.00 + \$12.50 GST = \$137.50	CICL
		\$ 30.00 + \$ 3.00 GST = \$ 33.00	CIMCL
		\$170.50 inclusive of GST	
Meter Outlet	Stock & Garden outlet	\$2,152.00	CICL
	Small Outlet	\$5,381.70	CICL
	Large Outlet	\$8,610.80	CICL
Peak Flow	ML/day of Peak Flow terminated	\$538.20 / ML	CICL

Government Water Charges

Charge	A class High Security Water Entitlement	B class General Security Water Entitlement	G class High Security Water Entitlement
Access Fee	\$3.99 / ML	\$2.78 / ML	\$3.99 / ML
Usage Fee	\$4.47 / ML	\$4.47 / ML	\$4.47 / ML