

Narromine Irrigation Board of Management

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NIBM TRADING RULES – UPDATED 30/6/14

Farm Outlets

Farm outlets make up part of the Members contribution required by the Commonwealth. NIBM have tried to keep this to a bare minimum by decommissioning the red zone channels and structures on Members behalf.

As part of the modernisation process, farm outlet metering must comply with national metering standards for accuracy and occupational health and safety (OH&S). For members that hold over 200 delivery entitlements at their outlet, NIBM has selected the Rubicon slip meter, based on price, functionality and ability to communicate within the new network. These new meters are capable of maintaining constant flow rates among other features. The member contribution towards these outlets and meters will be 25% of the first meter and outlet and 50% on any other. Where members have multiple meters on one farm this will apply, or an option of an underpass at NIBM expense can be discussed.

Members holding over 200 delivery entitlements at an outlet have the option of choosing a smaller outlet or negotiating what their requirements are.

Members that hold under 200 delivery entitlements at an outlet will have the same contribution percentages, except on cheaper, smaller capacity meters.

Members with very small delivery requirements may not need a meter at all and have their requirements met by mobile pump metering units.

Prices on outlet sizes and metering options can be found in attachment. D.

Easements

Narromine irrigation scheme is a private irrigation district and works under the water management act 2007. Within the water act, private irrigation districts have the ability to construct operate and maintain irrigation infrastructure within the district. For the modernisation process NIBM have an agreement with the Commonwealth to formalise easements where the channel network operates.

NIBM would like to set up a blanket 40 m easement within the channel network.

NIBM will continue to operate as it has in the past and only newly lined sections of the channel will need to be fenced. These areas will be discussed with the affected parties in the greenzone proponent contracts. Details of fencing location and easement policy can be found in attachment C.

Delivery Entitlements.

Delivery Entitlements are the Members share of channel capacity and ownership of the scheme.

Delivery Entitlements came about as a result of the Commonwealth's Water Market Rules. Within the Water market Rules, Private Irrigation Districts such as Narromine had to unbundle their Group Licence into its basic components to allow water to be freely traded. The group licence was divided into the water component and the delivery component.

Delivery Entitlements(DE) are attached to an outlet. And this will determine how much water can be delivered to that location.

Delivery Entitlements, combined with Restricted Flow Share(RFS), determine how much water can be delivered to an outlet on a daily basis when the scheme is running at full capacity.

Total DE reflect the the original Group license

Eg From Original Group license 60110 mgs -60110 DE were created .

The 60110 DE were then attached to the members outlets .

Restricted flow share (RFS) is the amount of megalitres, that can be supplied to outlet. When the scheme is running at maximum capacity.

Restricted flow share can be calculated by dividing delivery entitlement at an outlet by 100.

Eg 600 DE divided by 100 days = Restricted Flow Share of 6mgs/per day .

Post- Modernisation

With a Modernised Scheme, the daily pumping capacity will remain the same and we will have less members due to rationalization. As a result, the channel capacity and structures have been reviewed and changes to the distribution network will be implemented, which will allow remaining members to increase their delivery entitlements and restricted flow share at their outlets by a factor of 1.5.(mod factor)

Eg 600 DE @outlet x 1.5 =900mg can now be delivered there

The new Restricted Flow Share (RFS)would be 9 mgs/per day

This Restricted Flow Share(RFS) would only apply when Scheme is running at full pumping or channel capacity. When the Scheme is not at capacity you can take higher rates or what your outlet can handle.

This is an important time to members to think about their delivery entitlements and restricted flow share ,as these things could affect your operations in the future.

NIBM would like to make some changes to the way Delivery Entitlements(DE) can be handled within the Scheme.

- DE can now be permanently transferred without associated restricted flow share (RFS)
- DE can now be permanently transferred with associated restricted flow share(RFS) to the same pool or upstream.
- DE can now be temporarily transferred without associated restricted flow share(RFS).
- DE can now be temporarily transferred with associated restricted flow share(RFS) to the same pool or upstream.
- DE is what fixed charges of based on, also voting rights(old DE numbers not with mod factor)
- DE can be terminated-termination fees apply e.g., 10 times access fee as per ACCC water market rules.
- Excess Delivery fee of 2x access fee for water delivered that exceeds the new outlet DE with new mod factor of 1.5.

NIMB thinks this will give our Members the best value for money and encourage water into the Scheme and at the same time protect existing Members interests.

DE are difficult to understand ,please don,t hesitate to contact your Manager Robert Sharpe or Scheme rep Martin Mckinney if you would like an explanation or more detail.

For all other rules associated with NIBM, please refer to the NSW Water Management Act 2000.