



Distribution Rules Policy

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1 Introduction

- 1.1 A Customer's Entitlements Contract (**Contract**) binds them to this Policy.
- 1.2 This Policy should be read in conjunction with, and is subject to, the Contract, any relevant Policies, the *Water Act 2007* (Cth), the *Water Market Rules 2009* (Cth), the *Water Charge Rules 2010* (Cth), the Act and all other relevant laws, regulations and orders.

2 Definitions and interpretation

2.1 In this Policy, the following words have these meanings unless the contrary intention appears:

- (1) **Carryover Unit** means the right to carry over to the next Water Year one Megalitre of Water Allocation remaining in a Water Allocation Account at the end of a Water Year;
- (2) **Company** means Murray Irrigation Limited ACN 067 197 933;
- (3) **Customer Portal** means the page on the Company's website (www.murrayirrigation.com.au) where a Customer can log into their online account using their customer number and password.
- (4) **Diversion Point** means any point at which water is diverted from the New South Wales Murray Regulated River Water Source (as referred to in clause 4 of the *Water Sharing Plan for the New South Wales Murray and Lower Darling Regulated Rivers Water Sources 2016* (NSW)) into the Company's Works;
- (5) **Drainage Water** means water to be drained from the Company's works for the purpose of enabling the Company to carry out maintenance on its works;
- (6) **Meter** means a water measurement apparatus used to measure and account for water;
- (7) **Operating Mode** means one of the operating modes described in the Season Operating Plan;
- (8) **Order Notice Period** means the order notice period for an Operating Mode specified in the Season Operating Plan;
- (9) **Restricted Flow Rate** means an equal share of the available flow, as determined by the Company;
- (10) **Season Operating Plan** means the Season Operating Plan published on the Company's website from time to time;
- (11) **Supplementary Water** means water available to the Company under its supplementary water access licence;
- (12) **Supply Level** means the level at which water will be supplied to a Landholding as measured at a Meter;
- (13) **Water Order** means a valid order for the delivery of water by the Company to a Customer under the Contract, placed by a Customer in accordance with rule 4; and

- (14) **Water Usage Statement** means a statement prepared by the Company setting out particulars of water usage, water availability, crop usage (where applicable) and such other information as the Company may determine.
- 2.2 In this Policy, unless the contrary intention appears, a word or phrase defined in the Contract has the same meaning in this Policy.
- 2.3 Clause 1.2 (Interpretation) of the Contract applies to this Policy with the necessary changes.
- 2.4 In this Policy, unless the contrary intention appears, reference to Water Allocation ordered for delivery or delivery of a volume of Water Allocation includes any volume of water that the Company determines, in accordance with the Contract, has been taken or delivered.

3 Supply and measurement

- 3.1 In order to receive water under the Contract, a Customer must submit a Water Order.
- 3.2 Subject to the Contract and these Rules, the Company must use its reasonable endeavours to deliver Water Allocation to the Customer during the Water Year in accordance with Water Orders placed by the Customer.
- 3.3 The Contract sets out circumstances in which the Company may suspend delivery of water to the Customer, including where any money payable by the Customer to the Company remains unpaid after the due date for payment, and where the Customer is in default under the Contract.
- 3.4 The Contract sets out general rules on measurement of water usage and installation of Meters.

4 Water orders

- 4.1 Customers may only place Water Orders by using the ordering system via the Customer Portal.
- 4.2 Water Orders must be placed in line with the Order Notice Period for the Operating Mode in effect at the time the Water Order is placed. If no Order Notice Period is specified, Water Orders must be placed at least four days before the date of delivery. If a Water Order is placed before the time specified in the Season Operating Plan, that day counts as a day of notice. If no time is specified, this time is 6:30 am or any earlier time determined by the Company (acting reasonably) and notified to Customers, having regard to the demand for water deliveries at the time of making the determination.
- 4.3 The Company may fill a Water Order on less notice than the Order Notice Period for the Operating Mode in effect at the time the Water Order is made, subject to availability and operational requirements.
- 4.4 If a Customer places a Water Order, the Customer must take water at the rate of flow specified in the Water Order (or the Restricted Flow Rate if rule 8 applies when the Customer places the Water Order or receives water) by providing and operating the Customer's Works in a manner adequate to accept the flow.
- 4.5 If a Customer orders water and does not accept it when available for delivery, the Company may debit from the Customer's Water Allocation Account a volume of water estimated by the Company (acting reasonably) to be equal to that which was not accepted by the Customer when it was available for delivery.
- 4.6 A Customer may amend or cancel a Water Order by placing a new Water Order.

4.7 If:

- (1) a Customer has not received the water ordered pursuant to a Water Order within three days after the expected date for delivery of the water; and
- (2) the Company has not contacted the Customer in relation to its failure to deliver the water in accordance with the Water Order,

the Customer must, within five days after the expected date for delivery of the water, notify the Company that the water has not been received. If notification is not received by the Company in accordance with this rule 4.7, the Water Order will be deemed to have been cancelled by the Customer.

5 Domestic and stock supplies

5.1 If the point of supply servicing a Landholding is for the delivery of water for domestic and stock purposes only, then:

- (1) unless the Company determines otherwise, all water which the Company delivers to the Landholding will be delivered by a pipe outlet not exceeding 75 mm in diameter (**Stock and Domestic Outlet**);
- (2) the Stock and Domestic Outlet must be installed in accordance with the Works Policy;
- (3) subject to rule 5.2:
 - (a) water delivered to the Landholding through the Stock and Domestic Outlet for the purpose of domestic and stock use need not be measured by a Meter;
 - (b) the Customer will be taken to have been delivered two Megalitres of water through the Stock and Domestic Outlet each Water Year (in addition to any other water delivered to or taken by the Customer); and
 - (c) the Stock and Domestic Outlet must be piped directly to a house, tank or storage facility (and the storage capacity of the house, tank or storage facility must not exceed two Megalitres); and
- (4) the water delivered through the Stock and Domestic Outlet must not be used for any commercial enterprise, or the irrigation of crops or pasture, and is only to be used for domestic and stock purposes.

5.2 The delivery of water by the Company through a Stock and Domestic Outlet to a Landholding must, where required by the Company (and subject to rule 5.3), be measured by a Meter which must be installed and commissioned at the Customer's Cost and in accordance with the Company's design requirements if:

- (1) there is a commercial enterprise conducted on the Landholding;
- (2) the Stock and Domestic Outlet servicing the Landholding is not piped directly to a house, tank or storage facility (or the storage capacity of the house, tank or storage facility exceeds two Megalitres);
- (3) the Company determines that the Stock and Domestic Outlet is capable of delivering more than two Megalitres of water per Water Year; or
- (4) the Company reasonably determines that measurement by a Meter is required.

- 5.3 If a Meter is required to be installed under rule 5.2, the Company may at its discretion offer instead to remove the Stock and Domestic Outlet at the Cost of the Company.

6 Water usage statement

- 6.1 A Customer can access their Water Usage Statement through the Customer Portal.
- 6.2 If a Customer requests, the Company will, within five Business Days, issue a Water Usage Statement for a Customer's Water Allocation Account (in respect of the Water Year to the date of the request) to the Customer.

7 Channel operating levels

- 7.1 Subject to rules 7.3 and 7.4, the Supply Level must be within the range specified in the Season Operating Plan for the Operating Mode in effect at the time when the water is supplied.
- 7.2 The supply height will be a minimum of:
- (1) a supply height adequate to satisfy the Customer's Water Order; or
 - (2) not exceeding the design supply height for the Operating Mode; or
 - (3) any other level or range determined by the Company and set out from time to time in the Season Operating Plan.
- 7.3 Subject to rule 7.4, the Company may establish a higher Supply Level for a Customer than the maximum Supply Level for the Operating Mode in effect at the time when the water is supplied if:
- (1) the Customer has funded an upgrade to the Company's Works in accordance with the Works Policy in order to accommodate the higher Supply Level; and
 - (2) the upgrade has been completed.
- 7.4 A higher Supply Level will not be available if the Company determines (acting reasonably) that there would be an adverse impact on other Customers or operational requirements.

8 Restricted flow regulation and management

- 8.1 The Company may determine (acting reasonably) that Restricted Flow Rates will apply for a period of time if, at the time of making the determination, demand for water delivery exceeds the delivery capacity of the Company's works.
- 8.2 For so long as Restricted Flow Rates apply, water will be delivered at the Restricted Flow Rate to each Landholding receiving water under a Water Order, subject to the following:
- (1) a Landholding created by subdivision after 3 March 1995 (as determined by the Company) may be limited to a proportion of the Restricted Flow Rate that would apply to the property from which the Landholding was created, in proportion to the number of subdivisions created from that property;
 - (2) a Landholding created by an amalgamation after 3 March 1995 (as determined by the Company) may (subject to rule 8.3) receive water at the sum of the Restricted Flow Rates which would apply separately to each of the landholdings which was amalgamated; and

- (3) if more than 1,500 water entitlements were associated with a Landholding as at 3 March 1995 (as determined by the Company), the Landholding may receive water at double the Restricted Flow Rate.
- 8.3 If the Company determines (acting reasonably) that aggregation of Restricted Flow Rates under rule 8.2(2) may have an adverse effect on another Customer, the Company may determine that Restricted Flow Rates will apply separately to each part of the amalgamated Landholding which corresponds to a landholding which was amalgamated.
- 8.4 The Company may allow the aggregated Restricted Flow Rates for Landholdings on the same channel system, serviced by a common offtake, which are either:
- (1) owned by the same Customer; or
 - (2) owned by the Customer and a different person where the Company determines those persons are conducting a joint enterprise on the Landholdings;
- to be applied to any one or more of the Landholdings at the Customer's discretion, provided that the Company is satisfied (acting reasonably) that this will not have a material adverse effect on another Customer or third party.
- 8.5 The Company may, where operational conditions permit, and at the Company's discretion (acting reasonably), increase Restricted Flow Rates for one or more Customers for such time as the Company determines appropriate.

9 Drainage Water and Supplementary water

- 9.1 The Company may declare that Drainage Water or Supplementary Water is available to be ordered for delivery by eligible Customers in accordance with the Contract, the Fees and Prices Policy (including Charges for delivery) and these Rules for the period specified in the declaration.
- 9.2 In determining which Customers are eligible to order Drainage Water, the Company will take into account the proximity of its Customers' Landholdings to the works of the Company that are to be drained for the purpose of maintenance.
- 9.3 A declaration under rule 9.1 may specify that all, or only a specified proportion, of the water ordered by eligible Customers during the period is Drainage Water or Supplementary Water.
- 9.4 During the period specified in the declaration, eligible Customers may order Drainage Water or Supplementary Water by placing a Water Order, and any water delivered to a Customer will not be debited from the Customer's Water Allocation Account.
- 9.5 For a Customer to be eligible to order Drainage Water or Supplementary Water, the Outlet at the Customer's Landholding must be of a kind in respect of which the Customer normally places Water Orders to receive water.

10 Carryover water

- 10.1 Except as otherwise provided by this rule 10, Water Allocation remaining in a Water Allocation Account at the end of a Water Year cannot be carried over to the next Water Year and will be forfeited.
- 10.2 During each Water Year, the Company may grant to each Customer who holds Class A, Class B or Class C Water Entitlements a number of Carryover Units equal to a certain percentage, determined by the Company, of the number of Class A, Class B or Class C Water Entitlements, respectively, held by the Customer as at a date determined by the Company.

- 10.3 The Company may determine a percentage in respect of a class of Water Entitlements to the exclusion of any other class of Water Entitlements. The percentage determined by the Company in respect of a class of Water Entitlements may be zero percent and it may be higher or lower than, or the same as, the percentage determined by the Company in respect of any other class of Water Entitlements. The number of Carryover Units will be rounded up or down to the nearest whole number.
- 10.4 A Customer may carry over to the next Water Year one Megalitre of Water Allocation remaining in a Water Allocation Account at the end of a Water Year for each Carryover Unit held by the Customer at the end of the Water Year.
- 10.5 All Carryover Units issued during a Water Year expire at the beginning of the next Water Year, irrespective of whether the Carryover Units have been exercised.
- 10.6 The Company is under no obligation to credit Annual Allocation into the Customer's Water Allocation Account in a Water Year in respect of the Customer's Water Entitlements to the extent that the aggregate of:
- (1) the Annual Allocation credited in that Water Year in respect of the Customer's Water Entitlements;
 - (2) any Carryover Water carried over by the Customer to that Water Year in respect of Carryover Units issued in the previous Water Year in respect of the Customer's Water Entitlements; and
 - (3) one Megalitre multiplied by the number of Carryover Units issued in the previous Water Year in respect of the Customer's Water Entitlements that were transferred by the Customer in the previous Water Year;

would exceed a limit corresponding with the limit imposed by the Legal Requirements applicable in the relevant Water Year in respect of the category of Access Licence held by the Company corresponding to the Customer's Water Entitlements or such other limit that the Company may determine from time to time.

11 Use of water

- 11.1 A Customer may only use water delivered to a Landholding on that Landholding except as set out in this rule 11.
- 11.2 A Customer may apply to the Company to move water across a Landholding boundary, and the Company may accept or refuse the application, acting reasonably, having regard to the Company's operational and environmental policies.
- 11.3 Unless the Company's acceptance states otherwise:
- (1) Water supplied may only be used on an adjoining Landholding if it is specified by the Company, and in the same ownership, and for the period of time approved by the Company.
 - (2) Water supplied from a point of supply, bore, drain or river pump on a Landholding may only be diverted to another Landholding (whether in the same ownership or not) if a Meter has been installed on the boundary of the Landholding receiving the water. The Meter must be installed at the expense of the Customer.
 - (3) The Customer must pay a Charge for the Company's administration costs relating to the application.

12 Winter operations

- 12.1 The Company will, from time to time, publish in the Season Operating Plan details of the winter Operating Mode. The Company will publish the proposed dates for:
- (1) closing and re-opening Diversion Points;
 - (2) supply dates;
 - (3) commencing drainage for any Company Infrastructure Works;
 - (4) potential for access to Drainage Water; and
 - (5) access to Supplementary Water.
- 12.2 Customers affected by winter operations must make their own arrangements for water supply during the period of winter operations.