



Murray Irrigation

Fees and Prices Policy

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1. Introduction

- 1.1 A Customer's Entitlements Contract binds them to this Policy.
- 1.2 This document is the Fees and Prices Policy referred to in the Contract.
- 1.3 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, rules, regulations and orders.

2. Definitions and interpretation

- 2.1 In this Policy, the following words have these meanings unless the contrary intention appears:
 - (1) **Annual Account Administration Fee** means the amount payable for the minimum servicing Costs of each Customer's account, including postage, printing, and related banking costs;
 - (2) **Annual Landholding Access Fee** means the amount payable as part of the Network Access Fee for the continuing physical access to, operation and maintenance costs for irrigation infrastructure;
 - (3) **Annual Delivery Entitlement Fee** means the amount payable per Delivery Entitlement in respect of each year based on the recovery of the Costs (whether recurrent or capital) incurred by the Company in relation to the provision of a right of access to the Company's irrigation infrastructure for the Costs of operation and management of all systems and including an Asset Maintenance Renewal Reserve contribution to set aside funds for the future refurbishment and replacement of assets, as required by the Company's operating licence;
 - (4) **Annual Outlet Fee** means the amount payable for the continuing Cost to provide capacity and flow systems determined by outlet numbers across the irrigation infrastructure network, which may vary for different categories of outlets, as set out in the Schedule of Fees and Prices;
 - (5) **Bulk Water Charge** means a fee per Water Entitlement in respect of each year based on the recovery of the fees payable by the Company in connection with its Access Licences;
 - (6) **Casual Water Usage Fee** means the amount payable by the Customer for delivery of a volume of Water Allocation under rule 6.3;
 - (7) **Connection Fee** means a fee in respect of the reasonable Costs incurred by the Company by reason only of establishing a physical connection between the Company's Works and the Customer's Works;
 - (8) **Consolidation** means the sum of a Customer's various landholding accounts by the Company by arrangement between the parties for the purpose of achieving the lowest price per Megalitre of the Variable Fees;
 - (9) **Consolidation of Accounts Fee** means the amount payable by the Customer in respect of the cost to administer the accumulation of multiple customer accounts;
 - (10) **Disconnection Fee** means a fee in respect of the reasonable Costs incurred by the Company by reason only of removing or disabling a physical connection between the Company's Works and the Customer's Works;
 - (11) **Drainage Fee** means a fee combining a fixed Delivery Entitlement fee based on the recovery of the capital costs incurred by the Company in relation to the provision of Drainage Works, and a variable fee per Megalitre of Water Allocation delivered, both

which may vary for different categories of Landholdings, as set out in the Schedule of Fees and Prices;

- (12) **Fee** has the same meaning as Charges in the Contract;
 - (13) **Fees and Prices** has the same meaning as Charges in the Contract;
 - (14) **Fixed Fees** means those fees that are levied irrespective of the volume of water delivered;
 - (15) **Network Access Fee** means a combination of fees set out in the Schedule of Fees and Prices comprising the Fixed Fees of Annual Landholding Access Fee, Annual Outlet Fee, Annual Delivery Entitlement Fee, Asset Maintenance and Renewal Reserve Fee, and Annual Account Administration Fee;
 - (16) **Schedule of Fees and Prices** means the list of Fees and Prices annexed to this Policy, and published on the Company's website;
 - (17) **Standard Water Usage Fee** means the amount payable by the Customer for delivery of a volume of Water Allocation under rule 6.2 or rule 6.3 where rule 6.4 applies;
 - (18) **Termination Fee** means a fee payable for each Delivery Entitlement terminated or surrendered being:
 - (a) the aggregate of:
 - (i) the Annual Delivery Entitlement Fee multiplied by 10; and
 - (ii) the part of the Drainage Fee that relates to fixed costs multiplied by the number of years for which the Drainage Fee would otherwise have been payable, up to a maximum of 10;but not greater than an amount permitted by the *Water Charge Rules 2010* (Cth); plus
 - (b) GST as defined in *A New Tax System (Goods and Services Tax) Act 1999* (Cth) as amended or any other relevant legislation and regulations.
 - (19) **Unit of Billing** means the measure to which each fee or price applies, including landholding, outlet, account, water entitlement, delivery entitlement, and megalitre; and
 - (20) **Variable Fee** means the amount payable by the Customer for delivery of a volume of Water Allocation under rule 6.2 or rule 6.3 where rule 6.4 applies, and for which price points of the Fee may vary for different volumes of water.
- 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. Determination of Fees and Prices

- 3.1 The Company may, from time to time, determine the fees and prices and any other sums of money payable by the Customer in connection with the Documents or anything connected with their subject matter, including:
- (1) an Annual Account Administration Fee;
 - (2) an Annual Landholding Access Fee;
 - (3) an Annual Delivery Entitlement Fee, including Asset Maintenance and Renewal Reserve Fee;
 - (4) an Annual Outlet Fee;
 - (5) a Bulk Water Charge;
 - (6) a Casual Water Usage Fee;
 - (7) a Connection Fee;
 - (8) a Disconnection Fee;
 - (9) a Drainage Fee;
 - (10) a Standard Water Usage Fee; and
 - (11) a Termination Fee.
- 3.2 Fees in respect of a class of Water Entitlements may be different from fees in respect of any other class of Water Entitlements.
- 3.3 Subject to the law, the Company may, at any time, vary, amend, supplement or replace a determination made under rule 3.1.
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4. Schedule of Fees and Prices

- 4.1 The Company must publish a Schedule of Fees and Prices on its website.
- 4.2 The omission of a fee or price from the Schedule of Fees and Prices does not reduce, limit or otherwise affect the Customer's obligation to pay the fee, unless the *Water Charge Rules 2010* (Cth) require the fee or price to be included in the Schedule of Fees and Prices and no exemption applies.
- 4.3 The Customer may be eligible for domestic category pricing as set out in the Schedule of Fees and Prices if the annual water usage is less than or equal to two Megalitres per house situated on the Landholding (or a total of two Megalitres if no houses are present), and at least one of the following apply
- (1) no irrigation outlets supply the Landholding; or
 - (2) there is an outlet piped directly to a house, dam or tank
- 4.4 If the Customer is not eligible under clause 4.3 then irrigation category pricing will apply.

5. Network Access Fees

- 5.1 The Network Access Fee is payable in respect of each Unit of Billing held by the Customer at 12.00 am on 1 July in the relevant financial year and each Unit of Billing acquired by the Customer subsequent to that date but before the date of the relevant notice specifying that the Network Access Fee is payable.
- 5.2 The Network Access Fee is payable whether or not Delivery Entitlements to which the Network Access Fee relates are exercised to order Water Allocation for delivery in accordance with the Documents, and whether or not an outlet is used.
- 5.3 If a Customer terminates or surrenders a Delivery Entitlement in accordance with this Policy:
- (1) subject to payment of the Termination Fee, the Customer is released from the obligation to pay that part of any future Network Access Fees in respect of the Delivery Entitlement terminated or surrendered, but is not released from any accrued obligations to pay other Fees; and
 - (2) the Delivery Entitlement may not be exercised to order Water Allocation for delivery.

6. Standard and Casual water usage fees

- 6.1 The Customer may exercise a Delivery Entitlement once per Water Year to order the delivery of one Megalitre of Water Allocation in accordance with the Documents.
- 6.2 The Customer must pay the Standard Water Usage Fee in respect of any volume of Water Allocation ordered for delivery by the Customer by exercising Delivery Entitlements.
- 6.3 Subject to rule 6.4, the Customer must pay the Casual Water Usage Fee in respect of any volume of Water Allocation delivered to the Customer otherwise than by exercising Delivery Entitlements or in excess of 120 percent of the number of Delivery Entitlements held at 12.00 am on the date of the relevant notice.
- 6.4 During any period in respect of which the Company has given notice that the Casual Water Usage Fee is suspended, the Standard Water Usage Fee will be payable under rule 6.3 instead.

7. Payment of Fees and Prices

- 7.1 The Customer must pay to the Company the Fees shown as payable on each notice issued by the Company by the date specified in the notice (or a later date determined by the Company) and by one of the methods specified in the notice.
- 7.2 The Company may, at any time, vary, amend, supplement or replace a notice given under rule 7.1 by giving notice to the Customer.
- 7.3 The Company generally gives notice of Fees quarterly in arrears, with the due date for payment stated in the notice.
- 7.4 Where the Customer has failed to pay by the date specified in the notice, the Customer becomes non-financial and is in breach of the Contract. In such circumstances, the Company may exercise its rights under the Contract.

8. Termination and surrender of delivery entitlements

- 8.1 A Customer may apply to the Company to terminate or surrender a Delivery Entitlement by:
- (1) submitting to the Company an application, in the form prescribed by the Company, which is completed and duly executed to the Company's satisfaction, which includes all documents required for the application, and in respect of which the relevant Charge has been paid; and
 - (2) paying the Termination Fee to the Company;
- and the Company may:
- (3) approve the application; or
 - (4) refuse the application and refund any Termination Fee paid under rule 8.1(2).
- 8.2 A Customer must not, without the consent of the transferee, apply to terminate or surrender a Delivery Entitlement that is the subject of an Internal Annual Transfer (as defined in the Transfer Rules Policy).
- 8.3 A Customer must pay a Termination Fee to the Company if the Company, by notice to the Customer, terminates the Customer's Delivery Entitlement in accordance with the Contract on the grounds that the Customer is in breach of the Customer's obligations under the Contract.
- 8.4 A Termination Fee is not payable merely because Delivery Entitlements are transferred under the Transfer Rules Policy.
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9. Disconnection fee

- 9.1 If the Customer no longer holds any Delivery Entitlements, the Company may remove or disable all physical connections between the Company's Works and the Customer's Works.
- 9.2 The Customer must pay a Disconnection Fee to the Company if the Company removes or disables a physical connection between the Company's Works and the Customer's Works whether pursuant to rule 9.1 or at the request of the Customer, unless the Company specifically waives such Fee.