

Single Farming Unit (SFU) Policy & Application form

1. Policy Principles

- 1.1. This policy simplifies Members/Customers' annual water allocation management by allowing Members/Customers to combine farms as a Single Farming Unit (SFU) for the purpose of their annual management of allocated water across farms.
- 1.2. The SFU does not extend to other areas of management.
Note: it does not extend to the CIA Water Use Policy and Guidelines or farm incentives.
- 1.3. Farms within a SFU will be combined for the purpose of capacity sharing. Only farms in the SFU downstream of the restriction and or constraint will be combined.
- 1.4. All registered owners must agree in writing to form the SFU.
- 1.5. The benefits of SFUs only apply during a water season.
- 1.6. SFUs can incorporate:
 - 1.6.1. Farms within CICAL's area of operations that can have water delivered from CICAL's infrastructure;
 - 1.6.2. Farms located in the Kerarbury Channel area of operations;
 - 1.6.3. Non-Member Water Entitlement Holder accounts.
- 1.7. A farm can only be part of one SFU.
- 1.8. 8000 farms can only be part of a SFU that incorporates other 8000 farms because Class G delivery entitlements cannot be accessed in the Coleambally Irrigation or Kerarbury areas.
- 1.9. The registered owner of the farm and all parties that enter the SFU are both individually and collectively responsible and liable for complying with the Rules, Policies and By Laws of CICAL.
- 1.10. If a Member/Customer wishes to dissolve a SFU it must be dissolved in its entirety.
- 1.11. Water allocation management for an SFU, once established, recommences at the start of each water season, unless dissolved.
- 1.12. CICAL may revoke a SFU at any time for breach of this policy.
- 1.13. CICAL will review the operation of this policy to ensure its operation is not resulting in negative third-party impacts.

2. Policy Administration

- 2.1. By forming a SFU the owners are consenting to any and all farms within the SFU being able to:
 - 2.1.1. Order water and therefore accumulate usage.
 - 2.1.2. Incur a liability for the Casual Usage Charge if the total water used is more than 110% of the total Delivery Entitlement held.
 - 2.1.3. Use and/or temporary trade any annual allocation, Member Benefit and/or Water Distributions that are allocated to a farm within the SFU.
 - 2.1.4. Have full access to water statements.
- 2.2. An annual administration charge applies and is invoiced against the first farm in the SFU, by ascending numerical order, as described in the Schedule of Charges.
- 2.3. If applicable, the casual usage charge is invoiced against the first farm in the SFU.
- 2.4. Monthly financial statements will be sent to the first farm in the SFU.
- 2.5. Annual water invoices will be issued to the registered owners of each farm in the SFU.

- 2.6. Water will not be delivered to any farms in the SFU until all farms in the SFU are financial or have entered into a payment agreement with CICL.
- 2.7. Prior to the end of the water season, the SFU is required to transfer any annual allocation remaining within the SFU to cover any negative individual farm water allocation accounts. They may also wish to optimize carryover options with end of water season balancing.

3. Fees

- 3.1. SFUs are charged an annual administration charge which is included in CICL's Schedule of Charges. This charge recovers the cost of administration of this policy.

Note: annual transfer charges do not apply to end of season account balance reconciliation and carryover optimisation.

4. Dissolution of a Single Farming Unit at the request of customer

- 4.1. A SFU must be dissolved in its entirety.
- 4.2. CICL require a written request signed by all registered owners in the SFU prior to dissolving the SFU.
- 4.3. Dissolution will be effective at 30 June unless dissolution is the outcome of a transfer of ownership.
- 4.4. CICL reserves 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.
- 4.5. CICL reserves the right to impose a new administrative charge 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 will be established based on business costs at the time of application.
- 4.6. As at the date of the SFU dissolution application, all liabilities associated with the individual farms listed under the SFU will be recognised on the individual farms. This includes any usage that has been metered prior to the dissolution date, noting that Delivery Entitlement cannot be annually transferred between farms. This may result in individual farm liability for the casual usage charge.

5. Additional notes

- 5.1. The following remain unchanged if a member/customer or non-member and their landholding are associated with a SFU:

- 5.1.1. Active Membership provisions including one Member one Vote
- 5.1.2. Provision of Member Benefit or additional water offers
- 5.1.3. Drainage obligations
- 5.1.4. Application of penalties
- 5.1.5. Liabilities associated with unpaid accounts
- 5.1.6. Provision of security requirements
- 5.1.7. No change to current process required for permanent trades or transfer of ownership

Form 14

Single Farming Unit (SFU)-Application form

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

Farm No	Registered Owner

The applicants above, by their signatures below:

- apply to Coleambally Irrigation Co-operative Limited for the creation of a Single Farming Unit, and
- acknowledge and accept the policy terms as outlined in the attached CICAL Policy – Single Farming Unit
- acknowledge and accept the annual cost of this service as outlined in the Schedule of Charges
- acknowledge that the registered owners of the landholdings and all parties to this Single Farming Unit 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

Name: _____ X _____

Name: _____ X _____

Name: _____ X _____

Name: _____ X _____

Name: _____ X _____

Name: _____ X _____

Office Use Only

Authorised by:.....Date:

Email the form to: ea@colyirr.com.au