

# ADDENDUM Information Statement

**Addition to the:  
2016/17 Fees and Prices, issued 24 June 2016, effective 15 July 2016  
Addendum effective 8 November 2016**

Issued: 25 October 2016

## Introduction

This Addendum to the Information Statement for the 2015/16 fees and prices has been prepared by Murray Irrigation to meet the requirements of the *Water Charge (Infrastructure) Rules 2010* (Cth) (the Rules). It is an addendum to the Information Statement issued on 24 June 2016 - effective 15 July 2016. It should be read in conjunction with Murray Irrigation's updated Fees and Prices Schedule for 2016/17 (Annexure A to the Fees and Prices Policy) effective from 8 November 2016.

Murray Irrigation produced its first Network Service Plan (NSP) for the period 1 July 2012 to 30 June 2017 to meet the requirements of the Rules. The NSP was posted to customers in May 2012 and is also available from Murray Irrigation's website [www.murrayirrigation.com.au](http://www.murrayirrigation.com.au).

This is the final year of the current NSP. Murray Irrigation will commence consultations with Customers on the next five year NSP in the second quarter of 2016/17 with a view to finalising the document and providing to customers in May 2017. Through this process Murray Irrigation will conduct a comprehensive review of our fees and prices structure and how we charge for services.

This Information Statement applies only to the fee for the Murray Irrigation Water Offer announced on Friday 21 October 2016.

## **New charges not identified in the NSP.**

Murray Irrigation has included fees for the Water Offer announced Friday 21 October 2016. The Water Offer is for a volume of water being offered to Shareholders at a fixed price per Megalitre, based on weighted average market price paid on the Murray Irrigation Water Exchange between Friday 14 October and Thursday 20 October 2016 with a 10 percent discount applied.

This fee was not identified in the NSP as the Water Offer product was not available at the time of developing the NSP.

The Water Offer fee will apply only to those customers who choose to apply via an expression of interest to be lodged with Murray Irrigation by 8 November 2016.

The Water Offer fee as listed is a one-off fee for the offer announced on Friday 21 October 2016.

# Information Statement



**Table 1: Fees associated with the Water Offer announced 21 October 2016**

Fee per ML	NSP 2016/17	Actual 2016/17
Water offer fee	N/A	\$49.00

*The remainder of the 2015/16 fees and prices schedule published by Murray Irrigation Limited is unchanged from the information statement and schedule dated 24 June 2016 and applies from 15 July 2016 to 30 June 2017.*

## Revenue from regulated charges

Table 6 details Murray Irrigation's revised forecast annual revenue from regulated charges for each year of the NSP. The forecast revenue for 2016/17 and the remaining two years of the NSP is based on annual on-farm deliveries of 600GL.

As advised in previous Information Statements, the forecast revenue from regulated charges is not in exactly the same format as the NSP. The details of forecast revenue in the NSP (Table 15, page 42) combined income from irrigation and domestic customers and also combined income from the various Murray Irrigation outlet fees. The forecast revenue in this Information Statement provides customers with more detailed information about Murray Irrigation's forecast revenue from its different fees.

The assumptions used to prepare the revenue forecast are in Table 6 and Table 7. There are some variations in the assumptions underlying these forecasts compared to the NSP assumptions; the assumptions in Table 7 more accurately reflect Murray Irrigation's business from June 2013.

**Table 6: forecast revenue (\$) from regulated charges (2012/13 – 2016/17)**

### Water Offer announced 21 October 2016

Forecast Revenue from Water Offer	2012/13	2013/14	2014/15	2015/16	2016/17
EOI participants <sup>1</sup>	N/A	N/A	N/A	N/A	\$588,000

### Explanatory notes:

1. Voluntary participation based on expressions of interest to be lodged by 2 November 2016

### Disclaimer

The information in this document is presented for information and consultation purposes only and is correct at the time of publication. Forecast revenue and underlying assumptions may be subject to change. Any person using this information should seek their own independent agricultural, financial and/or legal advice.