

VOLUME 3

SECTION 5

IRRIGATION SERVICES

**Managed by
The National Irrigation Commission
191 Hope Road
Kingston 6.**

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IRRIGATION STANDARDS

I.0 BACKGROUND

The National Irrigation Commission Limited (NIC), was established in 1986 and became operational in May 1987. The NIC obtains its authority from the Irrigation Amendment Act (1999).

The chief role of the NIC is to provide Irrigation Services to the Agricultural Sector. NIC's mission is 'to develop potential sources of irrigation water, and to manage these together with existing resources, by the provision of effective and efficient delivery systems up to farm-gate, geared towards the enhancement of Jamaica's agricultural development'.

Under the Irrigation Act, the Commission will furnish and maintain efficient irrigation systems throughout the declared irrigation areas in accordance with reasonable standards of dependability as required in irrigation operations.

The NIC is also responsible for keeping the Black River navigable and other selected watercourses clear in order to minimise flooding in that area. The NIC also takes necessary precautions to avoid flooding at all times.

I.1 NIC'S WATER SUPPLY STANDARDS

The NIC is mandated to maintain the water courses under its control at a standard to ensure that its clients obtain their supplies at an acceptable quality.

The following are the main requirements for the NIC to adequately maintain its irrigation systems:

- i Keep watercourses clean and clear or remove from such water courses inclusive of the banks, any vegetation including trees, logs, refuse, soil or any obstacle which may obstruct or impede the natural flow of water and possibly cause flooding of adjacent areas.
- ii Refuse removed from the canals by the NIC must be placed on land adjacent to the watercourse but not beyond a distance of one chain measured from the top of the banks thereof.
- iii Keep clean and free from obstruction such drains as may be

deemed necessary for the proper drainage of such land.

- iv Trim trees or shrubbery which may overhang, endanger or interfere with any irrigation works.
- v From time to time, the NIC may construct, lay and maintain road or open spaces within the irrigation districts.

1.2 CANALS

Canal sizes vary depending on the required carrying capacity as dictated by the amount of customers to be served. Land must be reserved preferably on either side of the canal to allow easy access for monitoring, repair and maintenance functions and when properly secured, offers some protection from water pollution and possible incidence of drowning.

The NIC will use its best efforts to ensure that the water supply especially to poultry, fish and raw vegetable farmers meets acceptable quality standards.

1.3 BECOMING A CUSTOMER

Persons interested in doing business with the NIC can do so once they meet certain criteria which are outlined in the customer application form. The first step therefore is to make an application at the NIC office serving the Irrigation District in which they intend to operate. (A copy of the Application form is at Appendix I).

1.4 INFORMATION REQUIRED

The following information is required:

- Name of applicant
- TRN Number
- Address
- Telephone Number
- Proof of tenure and/or ownership (title particulars, lease or rental agreement)
- Amount of water requested
- Period for which contract is being requested
- Existing customer applying for additional service must provide water allocation (if applicable, quantity used in cubic metres per hour/ minimum litre, name of canal, notch number, contract number as well as all of the above).

CHAPTER 2

USERS

2.0 AGRICULTURAL USERS

Prospective agricultural users of irrigation water are required to submit the following information:

- i Total area owned or leased by applicant
- ii Type of holding
- iii Location of farm
- iv Directions to farm
- v Area to be cultivated without irrigation
- vi Crops to be cultivated with irrigation
- vii Location of new area to be irrigated
- viii Distance of new area from nearest canal
- ix Accessibility to new area
- x Type of irrigation to be applied (Surface, Sprinkler, Drip Irrigation)
- xi Other sources of water available for the area

2.1 NON-AGRICULTURAL USERS

The following information is required from non-agricultural users:

- i Type of use
- ii Treatment of waste water
- iii Is there a possibility of contamination of source
- iv If yes, state contamination
- v Justification for non-agricultural use

NB: It is important to note that the NIC provides untreated water to be used primarily for Agricultural purposes. Where supplies are available, Industrial and Commercial users may be accommodated. **The Company is not liable in the event that the supply granted is used for domestic purposes.**

Any false information made on an application form will result in the non-approval/cancellation of a contract.

CHAPTER 3

IRRIGATION CONTRACTS

3.0 NIC'S WATER CONTRACT

The NIC through the Irrigation Amendment Act(1999), is empowered to manage, control and operate the Irrigation Works, as well as to fix dues and rates and thereby charge for water supplied and services provided from the said works and to collect and disburse the resultant revenue.

3.1 CONDITIONS FOR SUPPLY

The NIC will supply water to a customer's land, subject to the following conditions:

3.1.1 Supply

Agricultural Water from surface sources will be supplied 24 hours per day and from pumping/and or pressurized sources, a maximum of 16 hours/day. However, the NIC will not be liable in respect of any non-supply caused by reason of deficiency in the source of supply. Additionally, the NIC in consultation with the customer may put the supply of water on rotation as is deemed necessary (a copy of the NIC's contract to supply water is at Appendix I).

3.1.2 Maintenance Of Capital Works

The Customer will be given at least 7 days notice of interruption of supply to carry out planned maintenance or capital works. In cases of emergency-repairs caused by system failure, accident, or otherwise, NIC will suspend the supply and notify its customers accordingly.

3.1.3 Connection Fee

A connection fee is chargeable to new customers. (See appendix I I– Fee structure)

3.1.4 Security Deposit

A Security deposit is chargeable to all new customers and to existing customers who have been disconnected for arrears. At the

cessation of the contract, the security deposit will be refunded to the customer without interest, subject to the payment of all arrears owed to the NIC by the Customer.

3.1.5 Re-connection Fee

A re-connection fee will be charged by the NIC at the prescribed rate for non-payment of bills.

3.1.6 Rates

Rate charges are gazetted and customers notified individually by the NIC's Commercial Department(See Appendix II for rate structures).The rates are currently structured as follows.

A basic charge per hectare of land irrigated by NIC that corresponds to NIC's prorated fixed and overhead costs (maintenance, capital recovery and administration expenses).

A variable charge per cubic metre/hour/day of water received by the farmer that corresponds to the variable costs of producing irrigation water.

3.1.7 Surcharge

Additional supplies of agricultural water over and above the amount contracted is subject to a surcharge by the NIC.

3.1.8 Minimum Charges

The Customer is required to pay for no less than 1.5 cubic meters per hour per day on the open system regardless of the area to be irrigated and for no less than 3,000 litres per month on the pressurized system. Volumes less than these will be billed at the minimum rates.

If at any time during a billing period, a measuring device becomes defective, the Customer will, for that period, be charged for the average amount of water used by him during the last three billing periods.

3.1.9 Measurement of Water

Water supplied is measured by either a meter, weir, parshall flume

or gauge and placed at such a convenient location on the Customer's land as determined by the NIC. These devices remain the property of the Commission.

3.1.10 Billing

The Customer will be billed monthly or quarterly, based on the readings computed from the measuring device. The invoice indicates the due date of the amount owed. If payment is not made by the due date specified in the bill, the NIC will suspend the water supply without further notice to the Customer.

3.1.11 Termination

The NIC will terminate a Customer's contract if the customer is found guilty of tampering with, damaging, or destroying its infrastructure. The NIC has the right to recover by suit or otherwise all amounts in arrears for water supplied and or damage to any of its property.

3.1.12 Access to Property for Carrying Out Works

The Customer is required to allow full access to NIC employees at all times for the purposes of examining, erecting, repairing, replacing, removing or servicing NIC's property or equipment which are placed on the Customer's land. The NIC must be allowed access to a Customer's land up to ninety (90) days after a contract has been terminated.

3.1.13 Water Users' Responsibility

The Customer is required by law to provide adequate drainage to his/her operation and cultivation to prevent conditions of flooding, mosquito nuisances from stagnant water, or damage to the property of others or roads. The Customers will be responsible for the removal/drainage of all tail-water from their land to the public drainage system or return flows to canal or ditches where this is permissible.

3.1.15 Customer's Duties

The Customer has a duty to promptly report any damage to the NIC's property or its facilities whether such damage is caused by the Customer or not.

In the event that the Customer receives water from the NIC's facilities as a result of damage or vandalism and where there has been a failure by the customer to promptly report such damage or vandalism, the customer will be responsible to pay for all water received as a result of the situation.

CHAPTER 4

THE NIC'S SERVICE STANDARDS

4.0 STANDARDS OBSERVED

The following standards are observed:

- i Process duly completed applications within four (4) weeks of receipt at the District Office.
- ii Offer simultaneous readings (i.e. joint reading) of measuring devices. Customers who do not participate must recognize that the Commission's readings will prevail.
- iii Make customers' bills available within eight (8) days after billing period.
- iv Reconnect customers for the non-payment of bills within seventy-two (72) hours of payment of both the bill and the reconnection fee.
- v Address requests for adjustments to water supply (i.e. turn on/off of supplies) by contracted customers within twenty-four (24) hours.
- vi Maintain standards of operational efficiency which will help to keep irrigation rate charges to a minimum.

4.1 DISASTER PREPAREDNESS

In the event of heavy rains, the Commission will shut down all its systems and open pertinent sluice gates in order to allow water to flow freely thus preventing any flooding. The system will be reopened as soon as the NIC considers it safe to do so.

4.2 CONTACT INFORMATION

For further information, please contact the NIC's offices at the following addresses.

Head Office

National Irrigation Commission Limited
191 Old Hope Road
Kingston 6
Jamaica
Telephone: (876) 977- 6624, 977-6727 ,
Fax: (876) 927-2696
E-mail: nic@cwjamaica.com
Web-site: www.nicjamaica.com

District Offices

St. Catherine Irrigation District Rio Cobre Office
17 Barrett Street, Spanish Town
Tel: (876) 984-2334/4022
Fax: (876) 984-8401

Mid-Clarendon Irrigation District
Osbourne Store, May Pen
Telephone: (876) 987-3259/3667
Fax: (876) 987-3139

St. Elizabeth Irrigation District & Drainage
District
Watchwell P.A
St. Elizabeth
Telephone: (876) 965-0714
Fax: (876) 965-0232

St. Dorothy Office
Bodles, Old Harbour
Telephone: (876) 983-2712
Fax: (876) 983-2712

Yallahs District
Yallahs, St. Thomas
Telephone: (876) 706-3159

Braco Irrigation District
Duncans, Trelawny
Telephone: (876) 954-2147
Fax: (876) 983-2712

Appendix I**NATIONAL IRRIGATION COMMISSION
LIMITED****AGREEMENT FOR THE SALE OF
NON-POTABLE WATER****CONTRACT NO.** _____

THIS AGREEMENT is made the _____ day of _____ 20-- BETWEEN
NATIONAL IRRIGATION COMMISSION LIMITED, a company duly incorporated
under the laws of Jamaica and having its registered office at 191 Old Hope Road,
Kingston 6, in the parish of St. Andrew, (hereinafter called "NIC") of the **ONE PART**,
AND the party whose name, address and description are set out in the schedule hereto,
(hereinafter called "the customer") of the **OTHER PART**.

WHEREAS:

- A. NIC is licensed by the Water Resources Authority to abstract specified flows of water from source and is by virtue of the provisions of the Irrigation Act empowered inter alia to manage, control and operate Irrigation Works established in an Irrigation Area and to grant to the owner or occupier of land in an Irrigation Area, permission to obtain, use or abstract water from Irrigation Works or any watercourse connected therewith, in exchange for the payment of a fee by that person.

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- B. The Customer has requested from NIC a supply of non-potable for agricultural purposes on the terms and conditions set out herein.

In consideration of the foregoing and for other good and valuable consideration (the receipt of which is hereby acknowledged) the PARTIES HEREBY MUTUALLY COVENANT AND AGREE AS FOLLOWS:

1. INTERPRETATION

1.1. Definitions

In this Agreement

- 1.1.1. “**The Act**” means the Irrigation Act and any subsequent amendments thereto or other legislation, which has the effect of repealing and replacing the Act and includes regulations and rules made pursuant to the Act.
- 1.1.2. “**Non-Potable Water**” or “**Water**” means water which is not suitable for direct human consumption.
- 1.1.3. The words “hereof”, “herein” and “hereunder” and words of similar import, when used herein, shall refer to such document as a whole and not to any particular provision of such document, and clause, appendix and schedule, references are to those contained in or attached to such document unless otherwise specified.
- 1.1.4. Words importing the plural shall include the singular and vice versa and references to any gender shall include the other genders.
- 1.1.5. Clause headings have been inserted for convenience of reference only and shall not affect the interpretation hereof.
- 1.1.6. Capitalized terms used in this Agreement and not otherwise defined shall have the meaning given to them in the Act.

Appendix I**2. COMMENCEMENT DATE**

- 2.1. This Agreement shall commence on the date hereof and shall continue in existence until terminated in accordance with clause 8 hereof.

3. NIC'S OBLIGATIONS

- 3.1. NIC shall in exchange for the Customer paying the amounts referred to in clause 6 hereof, supply the Customer with at least 1.5 cubic metre of non-potable water per hour per day, such supply to be made within 16 hours per day from fixed pumps and/or pressurized sources or from varied collection points as may be determined from time to time by NIC in consultation with the Customer.
- 3.2. In order to supply the water required by the Customer under this Agreement, NIC may be required to install meters, tanks, pipes, or other Irrigation Works on the premises of the Customer. Any such fixtures or structures erected on the Customer's premises shall at all times remain the property of NIC and shall not form part of the land of the Customer.

4. THE CUSTOMER'S OBLIGATIONS

- 4.1. In consideration for NIC supplying water to the Customer in accordance with the terms of this Agreement, the Customer agrees to pay the amounts due to be paid to NIC in accordance with clause 6 hereof (i) within ten (10) days of any written request for payment by NIC of the sums due pursuant to clauses 6.1 (other than the Rates set out in the Schedule hereof), 6.6, 6.7 and 6.8 hereof, or (ii) on or before the stated due day for payment on any invoice submitted by NIC pursuant to clause 6.3 hereof, as the case may be.
- 4.2. The Customer shall at all times during the existence of this Agreement, and for a period of ninety (90) days after its termination, permit any servant and or agent of NIC to enter its premises during normal working hours for any purpose connected with the supply of water including examining, erecting, repairing,

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replacing, removing or servicing NIC's property or equipment placed on the Customer's land.

- 4.3. The Customer shall report all damage to NIC's property or NIC's facilities within twenty-four (24) hours of him/her becoming aware of such damage, whether such damage is caused by the Customer or not.
- 4.4. In the event that the Customer receives water from NIC's facilities through means which circumvent any measuring device of the NIC as a result of any damage or vandalism of NIC's equipment or facilities on the Customer's premises which the Customer fails to report in accordance with clause 4.3 hereof, or otherwise, the Customer shall be responsible for paying for all supplies of water received.
- 4.5. The Customer represents and warrants that it is duly authorized and empowered by its constitutional documents to enter into this Agreement and that its execution and delivery of this Agreement has been duly authorized by all necessary corporate action.

5. INTERRUPTION IN THE SUPPLY OF WATER

Non-Payment

- 5.1. NIC shall interrupt and suspend the supply of water to the Customer if the Customer fails to pay any amounts due to be paid to NIC in accordance with clause 4.1 hereof, or it breaches any other term of this Agreement, until the matter is rectified to NIC's satisfaction. NIC shall be under no obligation in this instance to provide the Customer with any notice of such interruption or suspension of the supply.

Maintenance/Repair Works

- 5.2. In the instance where NIC intends to undertake planned or scheduled maintenance or capital works which are likely to result in an interruption of the supply of supply to the Customer, NIC shall give the Customer seven (7) days prior written notice of such interruption.

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5.3. In the instance where:

5.3.1. Emergency repairs are required to be undertaken by NIC as a result of unforeseen system failures, accidents, or other circumstances outside of the control of NIC, or

5.3.2. NIC's ability to supply water is affected by unavoidable causes or accidents including (i) contingencies affecting its employees, works, pipes, machinery, or apparatus, (ii) severe weather conditions including drought and (iii) the shortage of water available for supply,

NIC shall be entitled to interrupt or cease the supply of water to the Customer without any prior notice of such cessation. In such cases, however, NIC shall be required to provide the Customer with an explanation of the reason or purpose of the interruption of the water supply within six (6) hours of such interruption.

6. COST OF THE SUPPLY OF WATER

Connection Fee and Rate

6.1. In consideration for NIC agreeing to supply the water required by the Customer, the Customer shall pay a Connection Fee and the Rate set out in the Schedule hereto (the "Rate"). The Connection Fee shall be based on (i) the actual cost of labour and/or works incurred by NIC to supply the water to the Customer and (ii) a sum representing ten percent (10%) of the costs of any equipment installed by NIC on the Customer's premises to effect and/or measure the supply of water to the Customer. The Rate has been arrived at based on NIC's variable costs of producing a cubic metre (or the equivalent) of non-potable water.

6.2. The Rate may be varied from time to time to reflect NIC's prorated fixed and overhead, maintenance, administration, capital recovery and variable costs. NIC shall be required to provide the Customer with at least thirty (30) days notice of any such

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change in the Rate or other alteration of the method of billing the Customer for the water supplied under this Agreement.

Invoices

- 6.3. NIC shall submit invoices to the Customer monthly for water supplied in each relevant month. The amount stated in such invoices shall be arrived at based on the readings computed from the measuring device and system referred to in clause 7 hereof and the Rate; provided that in the instance where water is supplied to the Customer using a pressurized system, the Customer shall be liable to pay to NIC a minimum charge representing the Rates payable for a supply of 1.5 cubic metres of water per hour per day whether or not the actual amount of water supplied to the Customer is less than 1.5 cubic metres per hour per day.
- 6.4. Each invoice submitted by NIC to the Customer shall state the latest date by which payment is to be made by the Customer.
- 6.5. If the Customer fails to settle the invoices submitted to it by NIC on the latest date for payment stated therein, NIC may, without further notice to the Customer, suspend the supply of water without prejudice, however, to NIC maintaining the right to recover by suit or otherwise, all outstanding amounts owed by the Customer to NIC for water supplied and or damage to any property of NIC by the Customer and or his servants or agents.

Re-connection Fee

- 6.6. Where the water supply has been suspended or interrupted by NIC because of the non-payment of the Rate, or for any other breach by the Customer of this Agreement and NIC later recommences supplying water to the Customer, a Re-Connection Fee will be charged by NIC at such rate as from time to time determined by NIC; provided that re-connection will not be instituted by NIC until NIC is satisfied that the said breaches have been rectified and that there has been compliance with all relevant

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provisions of the Act, all other applicable statutes and all of NIC's rules and regulations.

Security Deposit

6.7. The NIC may at any time require the Customer to pay a security deposit of such sum as may from time to time be determined by NIC. Such security deposit shall be applied to any arrears owed by the Customer to NIC. Upon the termination of this Agreement pursuant to clause 8 hereof, the security deposit will be refunded to the Customer without interest, subject to the payment of all arrears of Rates or other sums owed to NIC by the Customer pursuant to this Agreement and the Act.

Surcharge

6.8. Additional supplies of non-potable water over and above the amount stated in clause 3.1 hereof may be subject to a surcharge by NIC at a rate to be determined by NIC from time to time.

7. MEASUREMENT

7.1. Water supplied by NIC may be measured by either a meter, weir, parshall flume or gage as may be deemed expedient by NIC and placed at such a convenient location (including the Customer's land) as may be determined by NIC, provided however that if no such measuring device is available or is not installed by the NIC, the Customer shall be charged for water supplied based on an estimate determined by the NIC. The provisions of clause 7.3 hereof shall be applicable to any estimate determined by the NIC.

7.2. Any reading recorded by NIC's measuring device shall in the absence of manifest error, be prima facie evidence of the amount of water consumed by the Customer.

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7.3. If at any time during a billing period, any of the measuring devices referred to in clause 7.1 becomes defective, then the Customer shall be charged in respect of such period, for the average amount of water used by it during the immediately preceding three (3) billing periods and any amount so charged, shall be paid by the Customer.

7.4. NIC shall use its best endeavours to effect repairs to any such measuring device that may become defective within a reasonable period.

8. TERMINATION

8.1. This Agreement may subject to clause 8.2 hereof be terminated by either party upon the giving of thirty (30) days notice in writing to the other.

8.2. This Agreement may be terminated by NIC summarily and without notice to the Customer, if:

8.2.1. any of NIC's property or equipment, adjacent to or placed upon NIC's or the Customer's land, is damaged or destroyed by the Customer or its servants/agents or anyone on the Customer's land with the permission of the Customer, without prejudice, however, to NIC's right to recover by suit or otherwise all outstanding amounts owed by the Customer to NIC for water supplied and for damage to any property of NIC by the Customer and or his/her servants or agents; or,

8.2.2. the Customer fails to pay any amounts due to NIC in accordance with clause 4.1 hereof.

8.3. On the termination of this Agreement the Customer shall pay all sums due and payable to NIC under this Agreement and the Act.

8.4. On the termination of this Agreement NIC shall:

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8.4.1. be permitted to remove any meter, pipe, equipment or fixture installed on the Customer's premises,

8.4.2. repay any sum held as security deposit pursuant to clause 6.7 of this Agreement after deducting any sums due to it by the Customer under this Agreement or the Act.

9. **LIABILITY FOR LOSS OR DAMAGE**

9.1. NIC shall not except in the case of negligence by NIC or its servants /agents be liable for any loss, damage, injury to any person or property caused by any failure or deficiency of the supply of water or any lack or excess pressure of the supply of water.

9.2. The NIC shall not be responsible or liable for any damage caused by the negligent or careless use of water by the Customer, his servants or agents, as a result of any failure on the Customer's part to adequately maintain conduit facilities on its property in respect of which facilities he is wholly or in part responsible.

9.3. The Customer shall keep NIC indemnified against all actions, claims, proceedings, costs, losses, expenses damages arising as result of the negligence or default of the Customer and its servants or agents, or the breach by the Customer or its servants or agents of the terms of this Agreement.

10. **MISCELLANEOUS**

10.1. No exercise, or failure to exercise, or delay in exercising any right, power, or remedy vested in NIC under this Agreement or the Act, shall constitute a waiver thereof or be construed to be an acquiescence on the part of NIC, nor shall any single or partial exercise of any right, remedy power hereunder preclude any other or future exercise thereof or the exercise of any other right, remedy or power.

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10.2. This Agreement constitutes the entire agreement between the parties in relation to this subject matter and supercedes all prior agreements and understandings whether oral, or written, with respect to that subject matter and no variation of this Agreement shall be effective unless reduced to writing and signed by or on behalf of a duly authorised representative of each of the parties to this Agreement.

10.3. This Agreement shall be binding upon and enure to the benefit of each party hereto and its successors in title or assigns, provided that the Customer shall not be entitled to assign or transfer its rights under this Agreement without the prior written consent of NIC.

10.4. This Agreement shall be governed by the laws of Jamaica.

11. NOTICES

11.1. Any notice required to be served under this Agreement shall be in writing and shall be deemed to be duly served if delivered personally or by prepaid registered mail by one party to the other, at the addresses stated herein or such other address as the party to be served may have notified the other (in accordance with the terms of this clause) for the purpose of this Agreement. Any notice served by prepaid registered mail shall be deemed served five (5) days after posting.

11.2. In proving the service of any notice, it will be sufficient to prove in the case of a letter, that such letter was properly stamped, addressed and placed in the post, or delivered to the current address of the addressee if delivered personally.

IN WITNESS WHEREOF the parties have hereunto executed this Agreement the day and year first heretofore written.

Appendix I

Executed for and on behalf of)
NATIONAL IRRIGATION)
COMMISSION LIMITED by)
Director)

in the presence of:)

WITNESS

Executed for and on behalf of

-----)

-----)

In the presence of:)

WITNESS

SCHEDULE

Appendix I

Customer Name

ADDRESS

IRRIGATION

a. Surface System

1. Hectare cu.m /hr/dy. Rate/cu.m

2. Acreage (acs) cu.yd./hr/dy. Rate/cu.yd.

b. Pressure System

1. Hectare cu.m /hr/dy. Rate/cu.m

2. Acreage (acs) cu.yd/hr/dy. Rate/cu.yd.

3. Hectare Litre Rate/1000 Litres

4. Acreage (acs) US gals Rate/1000 US gals

Signed by on behalf of NIC

Name

Witness

Signature of Customer

Name of Customer

Witness

Date

xii

Appendix 2**RATE STRUCTURE
OF
NATIONAL IRRIGATION COMMISSION****CONNECTION FEES**

Effective July 1, 2002 for new and delinquent customers.

Connection fees are based on the cost of labour for installation, material and equipment which may be used to effect the connection. These charges are not fixed and are subject to site conditions.

SECURITY DEPOSIT

Security deposit is based on the contracted acreage and volume per month for new customers.

Delinquent customers are charged the average of their last three monthly bills.

IRRIGATION RATES**AGRICULTURAL RATES**

Effective April 1, 2004

Demand charge

78 cents for the first 5, 508 cubic metres

\$1.02 for each additional cubic metre

Appendix 2

Service Charge

This is a three-tier rate which is being charged since inception and it is computed based on the customer's acreage.

1 to 5 acres -	\$12.11 per acre per month
Between 6 to 10 acres -	\$24.23 per acre per month
More than 10 acres -	\$30.29 per acre per month

NON-AGRICULTURAL RATE

Effective September 8, 2003

Industrial rate

\$99.93 per 1000 US gallon or per cubic metre

OR

\$26.40 per 1000 litre or per cubic metre

Special Industrial Flow/Through rate

\$55.30 per 1000 US gallon

OR

\$14.08 per 1000 litre or cubic metre

Rapid Response Rate

Effective March 1, 2004

\$1.00 per gallon

Please note that all rates above are subject to change and must be approved by the government.

Prepared: April 14, 2005

Appendix 2

BASE COST FOR INSTALLATION

Measuring Devices	Base Cost for Installation (J\$)
12” Gate	1,500.00
6” Parshall Flume	1,500.00
Total	3,000.00
6” Gate	1,000.00
3” Parshall Flume	1,000.00
Total	2,000.00
3” Dia. Hydrant	1,500.00
3” Ball Valve	1,500.00
3” Dia. Meter	1,500.00
Total	4,500.00
2” Dia. Meter	1,000.00
2” Diameter Hydrant	1,000.00
2” Ball Valve	1,000.00
Total	3,000.00

Appendix 2

IMPOSITION OF SECURITY DEPOSIT AND CONNECTION FEE

Clause 4 of the National Irrigation Commission (NIC) Agreement for the Sale of Non-Potable Water makes provision for the payment of a security deposit and connection fee by customers, however, these charges were implemented on 1st July 2002.

Security Deposit

(a) New applicants for irrigation service:

- deposit to be equal to the monthly service charge based on the acreage and the monthly contracted volume or demand;
- a former customer whose original contract was terminated will be treated as a new applicant.

(b) Existing customers who have been disconnected for having defaulted on payments due to the NIC:

- a deposit will be required for restoration of service to be based on the average of three (3) months' billing (demand & service charges);
- If a deposit exists and the customer is then disconnected, this deposit may be increased in keeping with increases in the customers' average three (3) months' billing (demand & service charges). However, if full settlement is made within ten (10) days or if the three (3) months' average remains the same or is less, the security deposit will remain the same.

(c) Agricultural Users will be required to pay up to a maximum of \$20,000 for security deposit.

(d) Industrial Users and the National Water Commission (NWC) will be required to pay up to a maximum of \$100,000 with the balance being covered by a Banker's guarantee;

Appendix 2

Refund of Deposit

Upon termination of irrigation service, the deposit will be applied firstly to any arrears on the customer's account, and the balance, if any, refunded to the customer.

Effect of Deposit on Bill Payment

The payment of a deposit shall in no way relieve the customers of the responsibility to pay irrigation bills promptly or prevent the NIC from disconnecting the service for any over-due amounts.

Connection Fee

The connection fee will cover the labour/installation cost for all connections, measuring devices and any other materials or equipment required to connect our customers to our infrastructure. A schedule outlining the base cost for installation is attached. However, these costs are subject to site conditions and periodic review.