# **Mary Valley Irrigation Forum**

## **Held: 7:30pm on 19 June 2017 at Gympie**

**Attendees:** 20 irrigation customers were in attendance

The meeting commenced at 7:30pm.

**Agenda Item 1 – Welcome & Introduction**

Customers were advised that the 2016-17 Mary Valley Water Supply Scheme Network Service Plan (NSP) was available on Seqwater’s website and the 2017-18 NSP would be available from 30 September 2017 (see <http://www.seqwater.com.au/water-supply/irrigation/mary-valley-water-> supply-scheme). Customers without internet access and wishing to receive a copy of the existing plan, and/or request the new plan when it is available, were asked to register their interest by phone (1800 077 005).

**Agenda Item 2 – Review of 2016-17 operations & operations outlook for 2017-18**

Seqwater gave an overview of the performance of the scheme in recent years and showed graphs comparing the rainfall and inflows into Borumba Dam with the releases made from the dam. These graphs clearly showed that Borumba Dam has greatly increased the reliability of water from the Mary River.

Seqwater also showed before and after photos of a meter installation to illustrate the work that the operations team has been doing to upgrade installations to Australian Standards and improve safety for workers. Photos of other scheme maintenance work such as the joints sealing in the dam wall were also shown together with an explanation of why the works have been undertaken.

A question was raised about why irrigators pay towards the recreation costs. Seqwater advised that it was current government to include recreation costs in the price path. Seqwater has requested that this be re-considered for the next price path.

**Agenda Item 3 – Review of 2016-17 renewals and renewals outlook for 2017-18**

Seqwater reported on the current year renewals program and outlined the renewals works expected to be undertaken in 2017-18.

Seqwater explained that renewals planning extends well into the future and is based on the average life expectancy of an asset. A planned program of works is created for each asset (including meters) and each year condition assessments are conducted on those assets which are identified in the works program for that year, to determine if the asset needs to be replaced having regard to its age and condition, how it is performing and whether any legislative changes require it to be replaced. Where possible, if the asset is in good condition, its life is extended.

Customers were given explanations of the works that were carried out in 2016-17 to upgrade the boat ramp at Borumba Dam and the electrical safety switch compliance tests that were carried out at Borumba & Pie Creek pump stations.

Customers were advised that another 20 new meters have been budgeted to be installed throughout the scheme in 2017-18. There are no renewals planned for Pie Creek for the 2017-18 year.

Seqwater showed photographs of some of the condition assessments that had been carried out during the year on various assets that will need replacing in the near future.

One customer stated that they thought the boat ramp access had not improved due to the gradient not being the same all of the way into the water. Seqwater undertook to look at the design and report why that design was chosen at the next forum.

**Agenda Item 4 – Announced Allocation 2017-18**

The formula for determining the announced allocation is defined in the Resource Operations Plan (ROP) and this was explained in more detail. Attendees were advised that when Borumba Dam falls below 88%, the announced allocation will also fall below 100%. Since Borumba Dam was forecast to be around 80% for the start of the new water year, the forecast announced allocation for the 2017-18 water year was likely to be around 90%. Whenever the announced allocation is lower than 100%, it is recalculated each month and if it goes up by greater than 5% or if it reaches 100%, it is published on the website within five business days of the start of the new month.

A customer asked whether the Part A would still be charged during times of low announced allocation. Seqwater advised that the costs involved in maintaining the infrastructure are still incurred even if no water is delivered and therefore the fixed Part A costs continue to apply during times of low or no announced allocation. Seqwater can offer payment plans to those customers experiencing financial difficulty. Where a region is drought declared, drought assistance packages may be available to eligible allocation holders through the Department of Agriculture and Fisheries.

Another customer queried whether the announced allocation would go up if there were inflows in the river but not the dam. Seqwater advised that the announced allocation is assessed on levels in Borumba Dam only.

**Agenda Item 5 – Water Security Presentation**

Seqwater gave a presentation showing the forum the results of the modelling that had been done using data collected between 1890 and 2010. When the current announced allocation rules and current usage patterns were applied to the rainfall data, the modelling consistently shows that whilst Borumba Dam drops quickly it also recovers quickly and provides good reliability.

A customer asked whether Borumba Dam supplied water to the Sunshine Coast. Seqwater advised that there is a 6,500ML allocation for supply to Lake Macdonald (Noosa).

Another query was in relation to whether there would be any more gauging stations built downstream of Gympie to assist the operators to make decisions as to whether they needed to release more or less water. Seqwater advised that what was needed was a low flow gauging station which would really require a weir to be built and that was unlikely.

A customer asked who had the responsibility of keeping their pumping pools open and asked if they were able to dig and/or rectify problems themselves. Seqwater advised that irrigators need to check with the Department of Natural Resources & Mines in Gympie.

**Agenda Item 5 – Irrigation water price path going forward**

The current price path ends 30/06/2017 however as advised previously, the next price path has been deferred for two years to align the Seqwater and SunWater price paths and to allow SunWater to finalise local management arrangements regarding their channel systems.

Seqwater advised that the government will issue a new pricing notice soon and it is expected that the current pricing will continue with increases of:

Mary River – Part A & Part B to increase by CPI each year until 30 June 2019.

Pie Creek – Part A to increase by $2 plus CPI each year until 30 June 2019 and

 Parts B, C & D to increase by CPI each year until 30 June 2019.

Seqwater advised that the current actual scheme expenditure is tracking well against the forecast expenditure used to determine the current price path. Whilst there is no official budget for the renewals, Seqwater explained that the price path includes an annuity component. The annuity is calculated by forecasting the projected scheme expenses for the next 20 years and then converting that figure to a flat cost per annum.

Seqwater explained that renewals planning is done far into the future and is based on the average life expectancy of an asset. Closer to the time, condition assessments are done to determine if the asset really needs to be replaced having regard to its age, how it is performing and whether any legislative changes require it to be replaced. Where possible, if the asset is in good condition its life is extended. Once we know the full 30 years renewals program, it will be shown to the forum to discuss.

A question was raised in relation to how the costs compare to other irrigation schemes. Seqwater advised that each scheme is different and therefore has different costs. The Queensland Competition Authority identifies what they believe are the efficient running costs of the scheme and that figure is divided by the total volume of allocations in the scheme to obtain the Part A pricing.

**Agenda Item 6 – Water trading**

There were no questions in relation to water trading.

**Agenda Item 7 - Future consultations, other matters**

Customers can find more information about the scheme on the Seqwater website under Everyday Water/Irrigation Schemes/Mary Valley Water Supply Scheme.

Seqwater will continue to hold forums every 12 months unless they are needed more frequently. Seqwater undertook to give an explanation of the legislative changes to the Resource Operations Plan at the next forum.

Some concerns were raised in relation to overuse, particularly the letter which is used to notify customers of their overuse. Seqwater undertook to re-visit the wording of the letter. Seqwater also reminded customers that it was their responsibility to monitor their own usage and ensure that they did not exceed the volume of water available.

**Agenda Item 8 – Meeting close**

With all agenda items completed, the meeting was closed.