

Cedar Pocket Irrigation Forum

Held: 7:15pm on 8 June 2016 at Cedar Pocket

Attendees: 5 irrigation customers were in attendance

The meeting commenced at 7:30pm.

Agenda Item 1 – Welcome & Introduction

Seqwater advised that these open customer forums replace the former customer councils. The forum was told that Seqwater proposed to continue with irrigator forums open to all customers of the Scheme unless customers requested an alternative arrangement. Seqwater advised that consultation forums would continue to be held at least annually. Additional forums may be held subject to customer or Seqwater demand. Seqwater further proposed that it would meet with any customer working groups formed to address specific issues. Customers were advised to signal the need for convening a forum by placing requests either by phone (1800 077 005) or email (irrigators@seqwater.com.au).

The forum was advised that Seqwater could only respond to operational matters. Matters concerning government policy were outside of its jurisdiction.

Customers were advised that the 2015-16 Cedar Pocket Water Supply Scheme Network Service Plan was available on Seqwater's website and the 2016-17 NSP would be available from 30 September 2016 (see <http://www.seqwater.com.au/water-supply/irrigation/cedar-pocket-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 – Renewals program

Seqwater advised that the replacement of 2 meters in the scheme was completed under budget, largely due to the installations being done internally.

Agenda Item 3 – Future renewals plan

There are no renewals scheduled for 2016-17. Seqwater explained that renewals planning extends well 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.

Options Analyses

Seqwater explained that the price path includes an annuity component. The annuity is calculated by forecasting the projected scheme expenses for 20 years. Because these costs

impact water prices, customers can choose to have Seqwater engage a consulting engineer to look at qualifying projects in order to see if there is any way to reduce costs. The costs of the consulting engineers would be borne by customers.

A high-level options analysis, for projects costing more than 10% of the total forecast renewals costs for the period 2022-37, would potentially cost around \$4,000. A detailed options analysis for projects costing more than 10% of the total forecast renewals costs for the period 2017-22 would potentially cost around \$12,000.

In the Cedar Pocket scheme two projects qualify for the high-level options analysis, these being the replacement of the electricity supply by 2025 at a cost of around \$35,000 and replacing the telemetry by 2030-31 at a cost of around \$53,000. There are no qualifying projects for detailed analysis.

As commencement of the next price path has been deferred until 2019, Seqwater proposed that discussions regarding costs and possible options analyses also be deferred until closer to that time. The forum agreed this was sensible.

Agenda Item 4 – Operations questions and answers

A question was asked about why the 2 water meters were replaced. Seqwater advised that meters are replaced if the installation does not meet the non-urban metering standard.

Agenda Item 5 – 2016-17 announced allocation

The process for determining the announced allocation is defined in the Resource Operations Plan (ROP) and this was explained in more detail. Attendees were advised that since Cedar Pocket Dam was currently at 82% and was forecast to be 75% by the end of June, the forecast announced allocation for the start of the 2016/17 water year on 1 July is forecast to be 75%. Seqwater advised that if the announced allocation is less than 100%, it will be reviewed each month to determine if it can be increased.

Agenda Item 6 – Irrigation water price path going forward

Seqwater noted that the current price path ends 30 June 2017. As per the recent notice that was sent to all irrigators on behalf of the Department of Energy and Water Supply, the commencement of the next price path has been deferred for two years.

For the Cedar Pocket scheme, the current price path will be extended with the 2016-17 prices being increased by \$2 plus CPI of 2.5% each year for Part A and CPI only for Part B.

Seqwater presented charts showing that the current actual expenditure is tracking well against the forecast expenditure used to determine the current price path and that renewals are also tracking well against budget.

Agenda Item 8 – Water trading

No matters were raised in relation to water trading.

Agenda Item 9 – Future consultations, other matters

Seqwater will continue to hold forums every 12 months unless they are needed more frequently, particularly coming up to the next price path. Attendees confirmed the time and venue were convenient for the forums.

Customers can find more information about the scheme on the Seqwater website under Everyday Water/Irrigation Schemes/Cedar Pocket Water Supply Scheme. If there is specific content that customers would like to see on the website, they should contact the irrigation team by email at irrigators@seqwater.com.au or phone (1800 077 005).

One customer asked it was possible to include a link to the dam level information from the irrigation page. Seqwater will look into adding this link.

Agenda Item 10 – Meeting close

With all agenda items completed, the meeting was closed.