

Logan River Irrigation Forum

Held: 7:00pm on 16 May 2016 at Beaudesert

Attendees: 11 irrigation customers were in attendance

The meeting commenced at 7:15pm.

Agenda Item 1 – Welcome and 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 Logan River Water Supply Scheme Network Service Plan (NSP) 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/logan-river-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 reported on the current year renewals program and outlined the renewals works expected to be undertaken in 2016-17.

As per the 2015-16 renewals program, work continued on the upgrade of the Maroon Dam water treatment plant with the replacement of the clearwater tank and filter media, repairs to the access ladder and the installation of shade cover over the clarifier to prevent algal growth. Replacement of the filter feed valves and the installation of the actuators is on hold and will be re-assessed next year. The budgeted replacement of 10 flow meters is complete with an additional 10 meters to be replaced in 2016-17.

In response to a question about why irrigators were paying for recreation costs, Seqwater advised that it was current government policy and clarification was being sought from the regulator about the inclusion of recreation costs in the next price path.

Agenda Item 3 – Future renewals plan

Seqwater advised that the 2016-17 Maroon Dam upgrade costs are not included in the scheme costs.

Proposed works for 2016-17 include the replacement of No.2 pump at the Maroon Dam water treatment plant. This should minimise the number of repair call outs and therefore reduce costs. Work is also required at Cedar Grove weir to improve access to the fishway entrance in order to meet Workplace Health and Safety requirements.

Seqwater advised that the final costs will be in the 2016-17 Network Service Plan which will be completed and available on the website by 30 September 2016.

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.

Seqwater advised that one project currently qualifies for the high level options analysis which is the replacement of the riprap at the dam.

Seqwater proposed that, as commencement of the next price path has been deferred until 2019, 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 customer asked if there was going to be a burn-off around the Maroon Dam spillway. Seqwater advised that a mulching mower has been through the area and there were no immediate plans for a burn-off. However, if one was planned, adjoining landholders would be notified beforehand.

A number of concerns were raised regarding the announced allocation formula which includes a reserve for high priority water that is not currently being utilised. A suggestion was made to return some or all of the volume that was allocated to urban supply back to medium priority users and utilise water from Wyaralong for urban supply if it is required in the future. Seqwater advised that a number of options are currently being investigated regarding urban water supply as the region is growing rapidly. However a detailed report is not yet available and may take some time. In the meantime, if Maroon Dam drops to a level where it has a major impact on the announced allocation percentage for medium priority users, all options will be examined.

A similar question was raised in relation to the accuracy of the announced allocations formula during dry times. Seqwater advised that the formula uses some forward estimates, such as evaporation and transmission losses, so if it is hotter and drier than normal, the amount of water available may be less than forecast.

A question was raised about the future of the Bromelton Off-Stream storage (BOS) and Seqwater advised that the BOS is currently at dead storage level and the pumps have been put in storage as a cost saving measure. If needed, BOS can be refilled by recommissioning the pumps.

One customer advised that he had experienced a number of problems with a meter that had been replaced. Seqwater advised that this matter would be investigated immediately. The meeting was advised that customers who are having metering issues should report these to either the dam operators or the irrigation hotline (1800 077 005).

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 as Maroon Dam is currently at 94% usable volume and was forecast to be around 92% usable volume as at July 1, the forecast announced allocation for the 2016-17 water year was forecast to be 100%. 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 next price path has been deferred for two years.

For the Logan River 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.

A customer asked if irrigators pay for the renewals and the meeting was advised that, according to the QCA's report on Logan River water prices, 16% of renewals costs are attributed to medium priority water allocations.

Agenda Item 7 – Water trading

A customer asked what the current market price of permanent transfer water might be. The meeting was advised that sales records including prices are published on the Department of Natural Resources and Mines website (see <https://www.business.qld.gov.au/industry/water/managing-accessing/markets-trading/market-information#permanent>)

Agenda Item 8 – 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/Logan River Water Supply Scheme. If there is specific content that customers would like to see on the website, customers should contact the irrigation team by email at irrigators@seqwater.com.au or phone (1800 077 005).



Agenda Item 9 – Meeting close

With all agenda items completed, the meeting was closed.