

Lower Lockyer Irrigation Forum

Held: 7:00pm on 3 May 2016 at Lowood

Attendees: 16 irrigation customers were in attendance

The meeting commenced at 7:15pm.

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 Lower Lockyer Valley Water Supply Scheme Network Service Plan was available on Seqwater's website and the 2016 plan would be available from 30 September 2016 (see <http://www.seqwater.com.au/water-supply/irrigation/lower-lockyer-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 either 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 budget, the Atkinson Dam pumps have been repaired and 24 flow meters have been replaced. Some cost savings have been achieved due to the State Government providing flood damage funding for the Brightview Channel restoration works. The relocation of water quality equipment was able to be carried out under alternative funding and the downgrading of the water treatment plant at the Atkinson Dam recreation area to non-potable supply also resulted in further cost savings.

Agenda Item 3 – Future renewals plan

Seqwater advised that the 2016-17 works program includes an upgrade to the staff amenities at Atkinson Dam to meet Workplace Health & Safety and other legislative requirements. An engineering assessment of the condition of all the assets in the scheme will be undertaken. The next package of water meters has therefore been deferred with meters being replaced on an as needs basis for 2016-17. Budgeted figures and actuals are reported each year in the Network Service Plans.

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.

At present, there is one project that qualifies for a high level options analysis (i.e. greater than \$134,000) for the period 2022-37. There are no projects for the period 2017-22 that qualify for the detailed options 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

The only questions at this stage of the meeting were in relation to understanding the annuity calculation.

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 barring any significant inflow in the next two months, the forecast announced allocation for the start of the water year on 1 July was likely to be 0%. Seqwater advised that if the announced allocation is less than 100%, it will be reviewed each month to determine if it can be increased.

Customers asked why the scheme had run out of water before the end of the water year, even with a reduced announced allocation. The forum was advised that the modelling used some known data (such as the available volume in the dam and weirs) plus some estimates (such as the average evaporation rate over a period of time). The estimates are variable depending on the weather and this summer had been particularly hot and dry, leading to higher than average evaporation losses. Under the ROP, Seqwater is able to make a separate announced allocation for O'Reilly's Weir when there is an announced allocation of 0% for the rest of the scheme.

A customer questioned why there were zones. The forum was advised that the water trading rules are set out in the ROP and allow for the temporary and permanent trade of water. There are maximum and minimum volumes of both permanent and temporary transfer water that can be transferred into and out of each zone, and these limits are designed to ensure that trading does not adversely affect water allocation security or environmental objectives.

Agenda Item 6 – Water Supply

Customers were advised that there will be no further supply until there are significant inflows. However, as the fixed costs involved in maintaining the infrastructure are still incurred even if no water is delivered, Part A costs will continue to apply. Customers who are experiencing financial hardship should contact Seqwater to discuss the possibility of a payment plan.

In response to a question about drought relief, Seqwater advised customers that the Department of Agriculture and Fisheries manages drought declarations in Queensland.

Agenda Item 7 – Irrigation water price path going forward

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.

The current price path will be extended with the 2016-17 prices being increased by \$2 per ML per annum plus CPI for Part A and by 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 advised it will continue to hold forums every 12 months unless they are needed earlier.

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

The Department of Energy & Water Supply (DEWS) have advised Seqwater that they are still in discussion with the relevant Councils regarding a pipeline connection from Wivenhoe to Atkinson Dam and Lake Clarendon. Some customers expressed concern that supply to Lake Clarendon would take priority and Seqwater undertook to talk to DEWS about this.

There were questions regarding the availability of recycled water considering the end of the pipe is only 10.2km from the Atkinson Dam wall. Seqwater advised that if the situation does not improve, it will be considered next year however as the treatment of the recycled water is expensive this would need to be taken into consideration.

Customers asked about ways of increasing the flow of water into Atkinson Dam to make it more reliable. The suggestion was made to double the size of the inlet pipe into Atkinson Dam and increase the inflow from Seven Mile Lagoon. Seqwater advised there would need to be changes to the ROP to enable more flow into Atkinson. Seqwater undertook to look at the proposals.

Another question was raised regarding Sippels Weir leaking. Seqwater advised that its engineers have carried out a site inspection and the results would be communicated.



Agenda Item 10 – Meeting close

With all agenda items completed, the meeting was closed.