

Warrill Valley Irrigation Forum

Held: 7:00pm on 9 May 2016 at Harrisville

Attendees: 19 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 2015-16 Warrill Valley Water Supply Scheme Network Service Plan was available on Seqwater's website and the 2016-17 plan would be available from 30 September 2016 (see <http://www.seqwater.com.au/water-supply/irrigation/warrill-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 – Renewals program

Seqwater reported on the current year renewals program and outlined the renewals works expected to be undertaken in 2016-17.

Stage 1 of the Moogerah Dam upgrade has been initiated and will run for several years. The forum was advised that dam upgrade costs are not included in the price path.

As per the 2015-16 renewals program, the media in filter number 2 of the water treatment plant was replaced. Replacement of 22 flow meters will continue to run through to July 2016. Seqwater advised that condition assessments are carried out to try to extend the life of meters where possible.

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 work will be undertaken to install safe access to Aratula Weir. Budgeted figures and actuals for renewals works 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.

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.

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 customer asked about the physical condition of Moogerah Dam. Seqwater advised that structurally it is in excellent condition however there will always be the need to replace or refurbish items such as mechanical equipment, meters and fences.

A customer asked what was being done to remove native aquatic weeds. Seqwater advised that government funding is only available for the removal of pest species. Seqwater staff found a way to reduce the weed by raking. However, as this is very time consuming, customers are requested to contact the recreation team who will look at what can be done and the frequency.

There was some discussion regarding the proposed safety works at Aratula Weir. Seqwater advised that the safety works are required to meet legislative requirements as the weir is still used to release water and has to be monitored.

A question was raised as to whether maintenance of the causeways and bridges over channels and diversions are the landowner's responsibility or Seqwater's responsibility. There was also a question regarding whether there were easements for the channels. Seqwater advised that each case needs to be looked at individually and concerned customers should contact the dam operators or the irrigation team to arrange for an appointment to carry out an inspection and discuss further.

Seqwater showed some photographs of the restoration work that has been carried out to repair erosion and remove silt from Black Gully and Normanby Gully. Also shown were photographs of the gauging station that has been installed at Kents Lagoon which will give more reliable readings and assist with downstream releases. A customer asked how long it takes for water to get to Harrisville when released from Kents Lagoon. Seqwater advised that it depends on the flow at the time of release and the volume of orders however it will be more reliable with the

gauging station in place. There were also photos showing the areas where hyacinth and other weeds have been removed from the watercourse.

One customer advised that the text system for water ordering seemed to be working well.

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 the usable volume of Moogerah Dam was currently at 87%, and was forecast to be 83% by the end of June, the forecast announced allocation for the start of the 2016-17 water year on 1 July is expected to be 100%. Seqwater advised that if the announced allocation should be less than 100%, it will be reviewed each month to determine if it can be increased.

A question was raised asking if irrigators were using enough water to meet revenue forecasts for the scheme. Seqwater advised that, under current pricing principles, usage has no bearing on pricing. The Queensland Competition Authority (QCA) calculated the fixed costs to operate the scheme which are recovered by the Part A prices and then determined the costs to deliver the water. These costs are recovered by the Part B prices.

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.

The current pricing will continue with increases of CPI each year for both Part A and 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 7 – Water trading

A question was raised as to whether there was a register for people who wished to trade. Seqwater advised that some of the options for those who wish to trade include contacting water brokers (via internet search) or placing an ad in the local paper.

A customer asked if there had been any permanent transfers of allocations separate to land. Seqwater advised that there had been some and referred to DNRM's website.

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/Warrill Valley 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).

Agenda Item 9 – Meeting close

With all agenda items completed, the meeting was closed.