

Meeting Minutes

Date: Wednesday 17 May 2017

Time: 5:30pm

Location: Murgon RSL

Attendees: John Kelly, SunWater Service Manager, Chinchilla
Gary Goschnick, SunWater Storage Supervisor, Bjelke-Petersen Dam
Stuart Nicholson, IAC Chair
Andrew Mayne, IAC Member
Jason Godden, IAC Member

Apologies: Kev Armstrong, IAC Member
Peter Enkelmann, IAC Member
Claire Kapernick, IAC Member
Damien Sippel, IAC Member

Chair: Stuart Nicholson

Minutes: John Kelly

AGENDA			
Item No.	Item	HB Doc No.	Presenter
1.	Welcome and Introductions		Chair
2.	Apologies		Chair
3.	Review of Previous Minutes		Chair
4.	Business Arising from Previous Minutes		Chair
5.	Agenda Items		Chair
6.	Current and Predicted Storage Level		John K
7.	Predicted Announced Allocation		John K
8.	Proposed Customer Newsletter		John K
9.	2017 Network Service Plan		John K
10.	General Business		All

Agenda Item 1 – Welcome and Introduction

The meeting was opened at 5:30pm. SunWater welcomed all the IAC members and thanked them for taking time from their busy schedules to attend.

Agenda Item 2 – Apologies

Damien Sippel, Claire Kapernick, Peter Enkelmann, Kev Armstrong

Agenda Item 3 – Review of Previous Minutes

The minutes from the previous meeting held on 22 February 2017 were reviewed. Jason moved that the minutes be accepted as a true and accurate record of the meeting. Seconded by Stuart.

Agenda Item 4 – Business Arising from Previous Minutes

SunWater provided an update on action items from the last meeting as follows:

1. SunWater to write to the South Burnett Regional Council inviting a formal representative from Council to sit on the IAC

SunWater advised the IAC that it had written to council on 14 March 2017 and to date no response from Council had been received. SunWater will follow up with Council.

2. SunWater to seek clarification from DNRM regarding approvals required for the installation of rock bars to create pumping pools.

SunWater advised the IAC that it had confirmed with DNRM that structures such as rock bars to create pumping pools are not allowed to be constructed without going through the necessary approvals. Any structure in the watercourse that is going to impede the flow requires DNRM approval. SunWater provided the IAC with the document 'Riverine Protection Permit Exemption Requirements' written by DNRM, which details under what circumstances a riverine protection permit is not required. This does not extend to rock bars for creating pumping pools.

3. SunWater to respond to the Letter from Ms Helen Kidd

SunWater advised the IAC that it has responded to correspondence received from Ms Helen Kidd and as tabled at the last IAC Meeting. SunWater responded to all the issues raised by Ms Kidd. Ms Kidd has not been in contact with SunWater since the response was sent.

4. Update on Merlwood Water Board

The IAC requested an update on the contract discussion with Merlwood Water Board as raised as General Business at the last meeting. SunWater advised that discussions with the water board are continuing in relation to the review of their water supply contract.

Agenda Item 6 – Current and Predicted Storage Level

SunWater advised the current storage level of the dam was 32,391ML or 24% and that both weirs, Joe Sippel and Silverleaf, were at 100%.

Agenda Item 7 – Predicted Announced Allocation

SunWater tabled the ‘Bjelke-Petersen Dam Forecast Storage Model’ (available on the SunWater website). The model predicts the storage level of the dam under minimal and average inflow scenarios. SunWater advised the IAC that under minimal inflow conditions the predicted storage level on 1 July 2017 would be 29,704ML whilst under average inflow conditions it would be 33,519ML.

SunWater tabled the ‘Start of the Water Year Announced Allocation Prediction Graph’ (available on the SunWater website). This graph can be used to predict the announced allocation at the start of the water year for a given volume. SunWater advised that predictions using this graph assume maximum carryover of 20% of the scheme medium priority allocation.

SunWater advised the predicted announced allocations as at 1 July 2017 as follows:

Bjelke Petersen Dam		Scenario	CO		MP AA%
Dam Level ¹ (m AHD)	Volume (ML)		Percentage (%) of carry over cap	(ML)	
299.62	29,704	Minimum Inflow	20% CO	6416	15
300.14	33,519	Average Inflow	20% CO	6416	25

Agenda Item 8 – Proposed Customer Newsletter

SunWater tabled a draft Scheme Newsletter that it would like to provide to customers on a quarterly basis (or more frequently if current issues demanded). The newsletter will be kept to one page and will provide information such as forecast storage levels for the dam, predicted announced allocation, volumes released from the dam, current volume in the dam, water used in the scheme and water remaining to be used. The IAC agreed that this information would be beneficial to customers and endorsed the commencement of the Newsletter.

Agenda Item 9 – 2017-18 Network Service Plan

SunWater tabled the 2017-18 Network Service Plan for discussion. John talked the committee through the report with explanations provided around the schemes revenue and expenditure items. The IAC queried what the ‘Other’ revenue line item was. SunWater advised that the ‘Other’ revenue related to licence fees and land leases. The IAC also questioned the \$648k of CSO revenue budgeted for in 2018. SunWater advised that the CSO was the ‘Community Service Obligation’ that the government pays SunWater as part of the Irrigation Price Path arrangements to ensure irrigation schemes break even. SunWater advised that the CSO payment in 2018 is provision for the costs associated with increases in Insurance and Electricity costs. At the time of the price setting these cost increases were not factored into the QCA calculations for setting the prices. As the price path has

been extended a further 2 years the revenue is still based on the original allowances set by the QCA. The CSO is being negotiated with the Department to top up the revenue which we could have expected had the new price review been undertaken and the costs of insurance and electricity been adjusted to reflect the real costs now applicable.

The IAC sort clarification on the R&E project scheduled for 2022 relating to the replacement of sheet piling. SunWater undertook to investigate this project further and revert back to the IAC.

Post Meeting Note: SunWater confirms that the sheet piling replacement project is in relation to Silverleaf Weir. The purpose of the project is to ensure the long term integrity of the structure.

The IAC sort clarification on the indirect costs associated with R&E in 2018, budgeted at \$335k, when compared to previous years (forecast \$74k in 2017 and \$16k in 2016). SunWater advised the IAC it would look into the detail behind the budget figure and revert back to the committee.

Post Meeting Note: SunWater advises that the increase in R&E indirect costs for 2018 is directly related to the cost of the R&E program planned for 2018. Increased labour costs to deliver the larger R&E program also attribute to the larger indirect cost allocation. The R&E program for 2018 totals \$835k where as the R&E program in 2017 is only \$268k and in 2016 it was only \$45k. This detail is provided in table 5 of the NSP.

Stuart Nicholson moved that the budget as set out in the 2017-18 Network Service Plan, be endorsed by the IAC.

Seconded Andrew Mayne.

Agenda Item 10 – General Business

The IAC advised that Kev Armstrong is no longer a member of the IAC having retired and that he should be replaced. In addition the council should also be represented on the committee.

SunWater advised the IAC it would run a nomination process for the replacement of Kev and follow up with the South Burnett Regional Council.

Meeting Closed 7:20pm