



IRRIGATOR ADVISORY COMMITTEE

MINUTES OF MEETING – 6 March 2013

Meeting Commenced 11:40am, SunWater Depot, Esmond St, Emerald

Present

| Attendees | Representation |
|---------------------------|---|
| Dougal Miller | Chairperson |
| Rob Ingram | Committee Member |
| Les Fleurty | Committee Member |
| Geoffrey Kavanagh | Committee Member |
| Ross Burnett | Committee Member |
| Carl Morawitz | Committee Member |
| Tom Wallwork | SunWater, Area Operations Manager, North |
| Neil Farrell | SunWater, A/Service Manager, Emerald Depot |
| Robin Boon | SunWater, Operations / Maintenance |
| Gordon Delaney (by phone) | SunWater, Water Planning & Environ. Manager |
| Donna Hodgson | SunWater, Water Accounts Manager |
| Mike McCosker | Visitor |
| | |

1. Apologies:

Geoffrey Kavanagh – late

2. Previous Minutes:

The previous minutes could not be located prior to the meeting.

3. Business Arising From Minutes:

Nil

4. Agenda Items:

4.1 Bedford Weir Fabribag

SunWater’s Water Planning and Environment Manager, Gordon Delaney, updated the IAC by phone on options for the storage volume at Bedford Weir previously afforded by the inflatable rubber dam. This update did not refer to the WH&S process which is yet to be concluded.

SunWater's submissions to the Queensland Competition Authority on inflatable rubber dam replacement options had been based on previous understanding of obligations under ROPs and ROLs (Water Act 2000).

Since the finalisation of the QCA pricing process, SunWater has been directed by our new share-holding ministers to implement the QCA pricing framework and is therefore re-examining earlier decisions. The new government has emphasised efficiency of operation and SunWater is keen not to incur unnecessary costs which are ultimately borne by our customers in the form of water charges.

The storage capacity currently unavailable due to deflation of the Bedford Weir rubber dam is 4927ML (Full Supply Volume 22900ML – Fixed Crest Volume 17973ML).

The Nogo Mackenzie IAC expressed the view that the "do nothing" option should not be pursued and that proactive options be further considered. The further options discussed were reinstatement of the lost capacity (e.g. some physical structure such as the Obermeyer gate system mentioned in the QCA report), or a non-structural solution which would likely involve the purchase of water allocations from the market.

SunWater will now take this IAC feedback together with feedback from scheme high priority allocation customers to our regulators:

- Water Act regulator – Department of Natural Resources and Mines
- water pricing – QCA and Department of Energy and Water Supply

It is expected that the IAC will be updated once the regulators have given their views.

SunWater will only progress options (i.e. incur costs) if a general consensus is agreed among the stakeholders with regard to the option and the method of funding its implementation.

A handout (**Attachment I**) was given out which summarised three possible options available. Gordon Delaney went through the options.

There was some confusion on the quantity of storage lost verses the allocations sold at auction. The volume of storage lost by the deflation of the fabribag is the volume between the Full Supply Level and the current (stage II) fixed crest. Some committee members thought that the Government obtained \$2.5m in water sales from the auctioning of the water and users should not have to pay again. Any profit from this sale should be used to reinstate the fabribag. It was thought that the situation was different to the Pioneer R fabribag analysis due to the auctioning of the water.

The chairman stated that it was paramount that the storage is reinstated or reliability of medium priorities would suffer. The issue is not maintenance issue but a capital injection was needed by operator of the scheme.

A question was raised regarding the amount that would have been contributed in the annuity charges to cover the replacement. The QCA recommendation on the opening annuity balance for the current price path commencing 1 July 2012 was minus \$1.4m. This indicates that any contributions to date have been more than utilised to cover other renewals carried out to date and therefore no reserve exists for the fabribag replacement. The question of insurance coverage was also raised.

The committee wished to see each of the options fully costed to enable further discussion as investment commitments by growers have been made on the storage and reliability previously indicated.

4.2 Peak Flow

The chairman summarised the situation regarding the current arrangements during periods of peak flow in the channel systems. Geoff Kavanagh then handed out some notes that he had put together for consideration by the meeting. (**Attachment II**)

There was general discussion on the handout. Points raised included:

- really small farms and S&D offtakes are not included in table 3.
- restrictions Selma channel system versus Weemah channel system.
- none of the analysis included the capacity restrictions on the river. The previous information put together by Bob Gneck should be located.
- restriction points in each channel system need to be included into Table 3.
- a question was raised about the priority between Weemah channel and the river outlet – Robin Boon indicated that the channel system generally has priority over releases to the river.
- need for distinction between original farms and new customers; very few new customers without original farms, only one at this time but need to consider what happens in time.

The chairman indicated that he has been an advocate of not taking water outside of original irrigable areas; but has come to realisation that it is difficult to control what growers do with water when it leaves the wheels.

Chairman requested discussion on taking the issue forward. It was generally agreed that the river growers would be excluded at this time as it would “muddy the waters” and the river had only been placed on formal restrictions once from memory.

It was resolved that the issue should be put to a vote of all users in the channel system included in the current peak flow arrangements. An information paper would be drafted and information sessions would be conducted and then a vote taken to achieve consensus on the proposed changes to the current arrangements.

4.3 Channel Lining

The Chairman read a letter from SunWater’s Donna Hodgson (**Attachment III**) regarding the transfer of 633 ML of “distribution loss” allocation held by SunWater to a category of “any”.

This allocation had been proven to be saved by the previously lining sections of the channel system.

There was general discussion on the lining program with the following raised:

- are the losses from lined sections checked after the lining completed? It was indicated that this is how the savings are determined by pondage tests before and after lining.
- Several comments about not signing off if no assurances could be given about further lining of the channels if the change of category resulted in sale of the allocation. The investment into channel lining was approved by the SunWater Board on the proviso that the saved water could be sold.
- A map of the priority areas for future lining was requested to be provided.

The committee did not support the application at this time.

4.4 Local Management

The agenda item regarding Local Management is to enable Ross Burnett to pass on any information regarding the issue and progress to the Committee. He indicated that the working group had met twice and there appeared to be general consensus by Emerald growers regarding taking the proposal to the next stage to have the due diligence conducted.

4.5 A/Service Manager Report

The report by the Acting Service Manager – Neil Farrell is attached to these minutes as ***(Attachment IV)***.

Issues arising from the report included:

- The spraying of Winton Ck to control hymanachic needs to be done.
- The perceived restriction by the TCC gate at St Helen's needs to be further investigated.

4.6 Major Maintenance & Renewals Program for 2014 FY.

The proposed refurbishment, renewals and major maintenance programs for the channel systems and the river were handed out and are attached to these minutes as ***Attachment V***.

5. GENERAL BUSINESS:

Nil

6. NEXT MEETING :

To be confirmed by Chairman.

MINUTES CONFIRMED

Chairperson

SunWater Manager

Date

Date