

Paradise Dam

Fact Sheet: customer engagement history on Paradise Dam water sales

January 2024

Introduction

There are no plans to sell permanent water allocations from Paradise Dam.

Water-sharing rules were changed in March 2020 to quarantine unsold water from the dam to maximise announced allocations for existing customers during works at the dam.

This was done following extensive engagement with customers in the Bundaberg Water Supply Scheme. At that time, customers requested that Sunwater commit to reconsider options for water sales once an announcement was made on the dam's future.

In line with this commitment, Sunwater held discussions with customers in 2022 to gauge interest in making some permanent water available for sale.

At that point in time, customers made it clear to Sunwater that they wanted to minimise impact on allocations, therefore the quarantine arrangements remain in place.

Sunwater will continue to seek customer feedback and be guided by the Irrigator Advisory Committee (IAC), Paradise Dam Reference Group (PDRG) and broader water supply scheme customers on their preference to make permanent water available for sale from Paradise Dam.

Sunwater remains committed to delivering water to our customers and working with them throughout the planning for a [new Paradise Dam wall](#). We are committed to providing water security for the Bundaberg region.

Customer engagement regarding permanent water sales from Paradise Dam

The following table outlines the engagement process and key dates regarding options for the sale of permanent water allocations from Paradise Dam since the water was last sold in 2018-2019.

Dates	Activity
September 2019	Essential Works announced to reduce the risk of dam failure.
February 2020	Engagement was undertaken with Burnett River sub-scheme customers on the option to amend the water-sharing rules during the Essential Works and any works that may be required once the long-term future of the dam was determined. Customers endorsed the approach to amend the water-sharing rules and to quarantine high and medium priority unsold water allocations from Paradise Dam (note: water allocations granted when Paradise Dam was first built are referred to as Burnett Water Pty Ltd Allocations). This would help mitigate the impact on announced allocations (AA) due to the reduced full supply level at Paradise Dam.

Dates	Activity
	At the request of customers within the IAC, Sunwater committed to revisiting water-sharing rule options following a decision on the future of Paradise Dam. Further information on this process is outlined underneath this table.
March 2020	Amendment to water-sharing rules was approved to enable Sunwater to maximise announced allocations (AAs) in the Burnett River sub-scheme during the Essential Works at Paradise Dam.
1 July 2020	The amendment came into force and Burnett River sub-scheme AAs were calculated using the amended water-sharing rules.
December 2021	Announcement that Paradise Dam would be returned to its original Full Supply Level.
June 2022	Sunwater revisited options to make permanent water available for sale in response to the commitment made in 2020 and as part of planning for storage level management of Paradise Dam. Options were raised in June 2022 as part of an IAC meeting, with Sunwater presenting on demand data, considerations and impacts of reintroducing water for permanent sale.
July 2022	Following feedback from the IAC, options were presented to the Paradise Dam Reference Group (PDRG) in July 2022.
November 2022	A draft version of a customer fact sheet and video about the topic, linked at the bottom of this document, was shared with the IAC and PDRG to seek feedback on the approach. Wider scheme communications were issued and Bundaberg drop-in sessions held on Wednesday 23 and Thursday 24 November.
December 2022	Combined feedback from customers across the scheme indicated that: <ul style="list-style-type: none"> • there was no immediate need to consider changing the water-sharing rules. • a number of members are of the view that any negative impact on AAs is not desirable, and no permanent water should be sold until the then-Paradise Dam Improvement Project* is complete and the dam is returned to its original height. • some would like to see some water made available to take the pressure off temporary transfer prices. • customers and potential customers are keen to understand options for early sales to secure water on completion of the improvement project* to provide growers more certainty to plan for the future. • some would like Sunwater to reconsider options again as project* planning progresses. <p>In summary, while there is interest in purchasing water in the future, customers do not want to risk undermining security of current allocations by reintroducing water for sale. <i>*references to the Paradise Dam Improvement Project scope at that time, noting the most recent update regarding Paradise Dam.</i></p>
December 2022 onwards	Sunwater confirmed it has no current plans to sell new permanent water from the Burnett River sub-scheme and will continue to engage with customers.

Changes to Burnett River sub-scheme water-sharing rules from 2020

An amendment to water-sharing rules in the [Bundaberg Water Supply Scheme Resource Operations Licence Operations Manual](#) was approved in 2020 to enable Sunwater to maximise announced allocations (AAs) for customers in the Burnett River sub-scheme during the Essential Works at Paradise Dam. This involved quarantining both high and medium priority unsold water allocations.

Sunwater's recommendation to customers to amend the rules aimed to mitigate announced allocation impacts for water entitlement holders while the reduced storage level of Paradise Dam was in place.

Following engagement and endorsement by Burnett River sub-scheme customers, Sunwater submitted a request for the change to the Department of Regional Development, Manufacturing and Water (formerly the Department of Natural Resources Mines and Energy), effective from March 2020. With this change all unsold allocations were quarantined and Sunwater could not make any further permanent water sales.

When new water year allocations were announced on 1 July 2020, allocations were calculated using the new water-sharing rules to mitigate the impact on existing entitlement holders.

A fact sheet on the options to change water-sharing rules was shared with scheme customers as part of this engagement in 2020, with the link available at the bottom of this document.

Can the water-sharing rules be reverted?

Sunwater has no plans to change the water-sharing rules for the Burnett River sub-scheme customers. However, if growers would like to reconsider options to reintroduce some of the unsold volume as planning for the new dam wall progresses, Sunwater can consider those options in consultation with scheme customers.

Once the full supply volume is returned by the new Paradise Dam wall, a change to the water-sharing rules will be required before Sunwater can sell the unsold allocations from Paradise Dam (100,000 ML of medium priority and 17,000 ML of high priority allocation). Extensive customer engagement will be required before Sunwater can make an application to the Department of Regional Development Manufacturing and Water (DRDMW) to change the water-sharing rules.

Can Sunwater currently sell permanent water in the wider Bundaberg Water Supply Scheme?

Sunwater isn't currently selling new permanent water in the Burnett River sub-scheme as all unsold water has been quarantined to maximise allocations.

No changes were made to water-sharing rules for the Kolan sub-scheme (also located within the wider Bundaberg Water Supply Scheme). However, approximately 16,500 ML of medium priority unsold allocation in the Kolan sub-scheme is also currently held by Sunwater as it may impact on existing customers in the Burnett River sub-scheme. This is because allocations, pending trading zone restrictions, can be moved around the scheme.

When announced allocations are high from the beginning of a water year, Sunwater has offered small volumes of the Kolan unsold water on the temporary trade market. The following table shows the temporary transfer volume made available, and the volume taken up for each financial year since the water-sharing rule change was made.

Financial year	Volume made available for temporary transfer from the unsold Kolan allocation	Temporary transfer volume taken up
FY 2021	6,613 ML	3,180 ML
FY2022	2,643 ML	0 ML
FY2023	5,000 ML	172 ML

What options do customers currently have to access more water?

Customers in the Burnett River sub-scheme can utilise the temporary trade market to access more water than their current allocation, or to sell excess water from their allocation in a single water year.

As mentioned above, in recent years Sunwater has offered small amounts of unsold Kolan sub-scheme water on the temporary trade market (through a broker) when conditions allow.

Further information

Fact sheets and videos provided during customer engagement around the amendment to the water-sharing rules and options to make permanent water available for sale from Paradise Dam are outlined below:

- [BWSS Customer Update 25 March 2020.pdf \(sunwater.com.au\)](#)
- [Options to reintroduce permanent water for sale during the Paradise Dam Improvement Project \(November 2022\)](#)
- [Bundaberg Water Supply Scheme Customer Update - updated 2 December 2022 \(sunwater.com.au\)](#) (initially published 15 November 2022 and updated following customer feedback).

Contact us

If you have questions or feedback, please contact Sunwater using these details:

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