

Pioneer Valley Water Co-operative Limited

NEWSLETTER

Volume 1, Issue 1

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In this Newsletter we cover the following areas:-

- Water availability for the new year
- Water Charges for 2007/08
- Recent Amendment of the Pioneer Valley ROP

Welcome to the first edition of the Newsletter for PVWater Cooperative. We commenced operations as of 1st July 2007 and we are very pleased with the high level of support from irrigators who have become foundation members of the Co-operative.

2007/08 Announced Allocation

The Announced Allocation has been set initially at 76% for the start of 2007/08. As in the last two years, the Announced Allocation is reviewed at the start of each month and we anticipate that we will receive increases to

the allocation over the next few months. At this time, Streamflow Allocation remains available in all zones for any irrigator wishing to take water supply. Please keep an eye on our website www.pvwater.com.au for

regular updates on water availability in the scheme.

Contacts:

Secretary:

John Palmer
Pioneer Valley Water
Level 1
Canegrowers Building
120 Wood Street
MACKAY QLD 4740

Phone: 4957 8481

Fax: 4957 8038

www.pvwater.com.au pvwater@pvwater.com.au

Correspondence to:

PO Box 275 MACKAY QLD 4740

2007/08 Water Charges

The Board has approved the budget for this year which includes the water charges as set out below for each separate area in the scheme.

	Levy	Access Charge	Usage Charge	
	\$/ML	\$/ML	\$/ML	
Riparian	18.60	18.80	6.10	
Palmyra	23.00	22.50	20.10	
Silver McGregor				
Pipeline	27.40	22.80	23.90	
Creeks	23.00	22.80	23.90	
Septimus	27.40	28.10	29.95	
Palm Tree Creek				
Pipeline	36.20	25.55	9.70	
Cattle Creek	23.00	20.75	7.05	

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We have again scrutinised the budget and limited, where possible increases to CPI. However, some areas are beyond our control and the table below details the major components of the charges increases from last year. The increases are for the Access and Usage Charges only as the loan repayment Levy remains fixed.

		Major Components of Increases				
	Total Increase	SunWater	Administration	Operations &	Electricity	
	From 2006/07	Bulk Water		Maintenance		
Riparian	3.30	2.89	0.37	0.02	-	
Palmyra	4.05	3.00	0.37	0.37	0.30	
Silver McGregor	4.15	2.90	0.37	0.48	0.40	
Septimus	4.80	3.09	0.37	0.83	0.50	
Palm Tree Creek						
Pipeline	4.20	3.23	0.37	0.59	-	
Cattle Creek	3.60	2.90	0.37	0.31	-	

As you can see the substantial increase from last year is in the bulk water charge we pay to SunWater. Our SunWater bulk water charge is on a five year price path which commenced last year and finishes in 2010/11. We are to receive a similar increase to this year for 2008/09 and then have CPI indexation of the bulk water charge for the remaining two years of the price path.

Pioneer Valley ROP Amendment

The amendment to the ROP for our scheme corrects a major inequity that existed from when it was first introduced in June 2005. Previously urban and industrial water allocation holders (Mackay City, Mackay Sugar, SunWater) had to receive 100% of their full allocation before any water could be made available for allocation to irrigators. Under the amended plan, urban and industrial allocations now only need to be at 80% of their full allocation before

water becomes available for irrigators. This will see us gain access to water at an earlier stage of the water year during years of low water availability such as we experienced in the Pioneer in 2005/06 and 2006/07. It may also reduce our need to purchase industrial allocation from SunWater.

The other amendments to the ROP for the Pioneer provides for our

access to lower levels of flow under Streamflow Allocation at times when Teemburra is low.

We lobbied the Department and Sun-Water very strongly to have these amendment introduced under the Critical Water Sharing Rules for the Pioneer River Scheme. We received support from Mackay City Council, Mackay Sugar and Mackay Canegrowers Limited for the change.

Drought Rebate

Just a reminder that a Drought Rebate has been provided by the Queensland Government and applies to the fixed water charges you were invoiced by us for last year (2006/07). You need to apply for the rebate through the Queensland Rural Adjustment Authority (QRAA).

As the sugar cane harvest is about to commence for this year, we trust that it is uneventful for you and that we all enjoy favourable conditions during the harvest.