



Pioneer Valley Water Co-operative Limited

NEWSLETTER

Issue 27

July 2016

2016-17 Announced Allocation

With Teemurra Dam at 90% of full capacity, Announced Allocation for the 2016-17 Water Year for both High Priority A (urban and industrial) supply and High Priority B (irrigation) supply have been set at 100% from July 01, 2016. This is the eighth consecutive year with full allocation being available for irrigation.

With Announced Allocation at 100%, PVWater customers are reminded that Stream Flow Periods will not be announced for the 2016-17 Water Year.

2016-17 (first quarter) Budget and Water Charges

Pioneer Valley Water has adopted the Budget and set Water Charges for the *first quarter* of the 2016-17 Water Year (refer the Water Charges table below).

The *final payment* by irrigators under the deferred infrastructure loan is due in the first quarter of this year. This final payment will be smaller than the typical quarterly payment, and so the Levy Charge has been reduced accordingly. The Levy Charge will be removed altogether from Water Charges from the commencement of the second quarter.

Infrastructure renewals charges have been held well below full annuity levels while the initial scheme loans were being re-paid by irrigators. The joint Boards of Pioneer Valley Water Co-operative Limited (PVWater) and Pioneer Valley Water Mutual Co-operative Limited (PVMutual) are now looking at options to determine the most cost effective and realistic manner in which to fund renewals moving forward, and as previously advised, it is anticipated that an adjustment to water charges will be made for renewals funding from commencement of the second quarter. Pioneer Valley Water customers will be advised of all changes to Water Charges ahead of their introduction.

2016-17 (first quarter) Water Charges

Irrigation Area	Access Charge \$ / MI (p.a)	Usage Charge \$ / MI (p.a)	Levy Charge \$ /MI (p.a.)
Palm Tree Creek	Cattle Creek	37.55	15.60
	Pipeline	46.75	24.60
Palmyra	42.95	31.55	15.60
Riparian	34.15	2.90	12.64
Septimus	47.95	51.10	18.60
Silver McGregor	Creeks	40.70	15.60
	Pipeline	40.70	18.60

Following last year's modest changes, Water Charges increases this year are unfortunately more significant, having been greatly impacted by increases in external components (SunWater Bulk Water 2.5% (\$0.41 per megalitre) and Ergon Electricity 12.3% (\$2.77-Palmyra; \$3.65-Silver McGregor; \$4.61-Septimus; per megalitre). Other main movements in Water Charges include an increase in Administration costs (\$0.71 per megalitre against CPI of 1.7%) and a decrease in Maintenance costs (-\$0.73, -\$0.85 and -\$2.22 per megalitre for Palmyra, Silver McGregor and Septimus respectively as major pumps are not scheduled for servicing this financial year.

*In this Newsletter
we cover the
following areas:*

- **2016-2017 Announced Allocation**
- **2016-2017 (first quarter) Budget and Water Charges**
- **Conversion to Dual-Co-operative Structure**

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Pioneer Valley Water Co-operative Limited NEWSLETTER

Conversion to Dual—Co-operative Structure



After 12 years of complex and challenging negotiations through three political iterations and with innumerable changes in the structure and personnel of the Queensland State Government, Pioneer Valley irrigators have at last achieved full local ownership of the Pioneer Valley Irrigation Scheme. On March 24 of this year, Pioneer Valley Water Board was dissolved by Regulation, and all assets, liabilities, licences and operational responsibility vested in the dual co-operative structure incorporating Pioneer Valley Water Mutual Co-operative Limited (PVMutual) and Pioneer Valley Water Co-operative Limited (PVWater).

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ited (PVWater).

Pioneer Valley irrigators have at last achieved full local ownership of the Pioneer Valley Irrigation Scheme !

This outstanding result simply would not have been achieved without the unflinching support of irrigators over the duration. The Pioneer Valley farming community's faith in the benefits of local management licenced the Board and staff of Pioneer Valley Water Board to pursue a local management agenda in the face of, at times, extreme bureaucracy.

Pioneer Valley Water Directors and staff are continuing to work hard to capitalise on this great outcome, with the goal as ever, being to assist farmers in the Pioneer Valley to turn irrigation water into income as effectively and affordably as can be achieved. This includes continued review and implementation of Pioneer Valley Water's operational and maintenance programmes, and also management of the administrative and financial transition across to the dual co-operative structure.

It is very important for you to know that having a Water Allocation under PVWater's Distribution Operations Licence entitles you to membership of both PVWater and PVMutual, and only through that membership can you have a direct say in how the irrigation schemes are managed and run. You are encouraged to participate in the schemes you own through that membership. Over the next few months you will be asked to review details of changes proposed to the Rules of PVWater and PVMutual aimed at removal of details now covered in your Distribution Contract with PVWater, and simplification of membership requirements (removal of the need for leasing of your Water Allocation to Pioneer Valley Water).

As a member, you can have a say in the management and daily operation of your scheme !

Congratulations and thank-you to all for your ongoing support.

Please do not hesitate to contact us with any queries you may have in relation to the issues raised in this newsletter, or for any other matter with which you feel PVWater staff may be able to assist.

