

## Central Lockyer Valley Water Supply Scheme



### Implications for irrigation prices when volumetric water allocations are granted

The purpose of this Information Bulletin is to explain the implications for irrigation water prices in the 2019-20 financial year resulting from the proposed granting of volumetric water allocations in the Central Lockyer Valley. The volumetric water allocations will be granted following approval of a final *Water Plan (Moreton) (Supply Scheme Arrangements) Amendment Plan 2019*. At this stage, a draft water plan amendment has been released for public consultation. Subject to the outcomes of consultation, a final plan amendment would pave the way for volumetric water allocations to be granted in early 2020.

Details of the draft water plan amendment are available on the Department of Natural Resources Mines and Energy website at <https://www.dnrme.qld.gov.au/land-water/initiatives/moreton-consultation>.

#### Central Lockyer customers (excluding Morton Vale Pipeline)

Seqwater's irrigation water prices are set by the Queensland Government. The Ministers responsible for Seqwater issue direction notices setting out the irrigation water prices which Seqwater is required to apply.

In June 2019, Seqwater was issued with *Rural Water Pricing Direction (no. 1) 2019* which directed the irrigation water prices Seqwater must apply for 2019-20. The prices applying to the Central Lockyer Valley (excluding the Morton Vale Pipeline) for 2019-20 were set out in Seqwater's last Information Bulletin. Prices are as follows:

Tariff group	Tariff	Price (\$/ML)
Central Lockyer Valley	Fixed (Part A)	\$35.42
	Volumetric (Part B)	\$11.46

Please note that the *Rural Water Pricing Direction (no. 1) 2019* did NOT set any prices to apply to the proposed low priority groundwater allocation.

From now until the water plan amendment is finalised and volumes are assigned to water entitlements (i.e. until the new volumetric water allocations are issued to irrigators, expected to be early in 2020), Seqwater will continue to apply only the Part B price of \$11.46/ML to the volume of water used each quarter by irrigation customers. The Part A fixed price of \$35.42/ML applies only to holders of volumetric interim water allocations.

The following pricing will apply for the REMAINDER of 2019-20 (i.e. until 30 June 2020) **IF** the draft water plan amendment is adopted and irrigators receive both a volumetric medium priority (i.e. 2 ML/hectare) water allocation and a volumetric low priority (i.e. 4 ML/hectare) water allocation:

- Seqwater will NOT apply any Part A or Part B prices to the low priority groundwater allocation.
- Seqwater MUST apply the fixed Part A price of \$35.42/ML to the volume of medium priority groundwater and surface water allocations.
- Seqwater MUST apply the volumetric Part B price of \$11.46/ML to the volume of medium priority groundwater and any surface water allocations used by you.
- Seqwater will apply groundwater usage against your low priority groundwater allocation FIRST (to the extent of availability) and then against your medium priority groundwater allocation. This means that the Part B price will be applied only to volumes used in excess of your available low priority groundwater allocation – i.e. when you have used up all of your available low priority groundwater allocation, Part B prices will then be applied to any further usage.

Seqwater has not been directed on prices to apply beyond 2019-20, including any prices that may apply to low priority groundwater allocations.

Seqwater will provide customers with another Information Bulletin in early 2020 to confirm the implications for prices once the water plan amendment is finalised.

### **Morton Vale Pipeline customers**

The water plan amendment will NOT involve any changes to the pricing arrangements for the Morton Vale Pipeline. Water prices will remain as previously advised being:

Tariff group	Tariff	Price (\$/ML)
Central Lockyer Valley – Morton Vale Pipeline	Fixed (Part A)	\$35.42
	Volumetric (Part B)	\$5.72
	Fixed (Part C)	\$10.34
	Volumetric (Part D)	\$9.47
Morton Vale Pipeline – bundled	Fixed (Part A + C)	\$45.76
	Volumetric (Part B + D)	\$15.19

### **Contact details**

For any enquiries regarding this notification, or other water-related matters, please contact us by email [irrigators@seqwater.com.au](mailto:irrigators@seqwater.com.au) or phone 1800 077 005 or write to:

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