

Tasmanian Irrigation

Circular Head Irrigation Scheme - October 2014

Project Launch: The Circular Head Irrigation Scheme's preferred option was officially launched by Primary Industries and Water Minister Jeremy Rockliff at Smithton on 12 September, 2014. The event was well received by the 75 people who attended and there was a high level of enthusiasm about the positive impact the scheme would have on the district.

The launch was introduced by Tasmanian Irrigation chairman John Lord and the Circular Head Irrigation Scheme's working group Chairman Mike Buckby also spoke about the benefits of high reliability water supplies.

"This is a once in a lifetime opportunity," Mr Buckby said.

"Investigations into such a scheme have been undertaken several times over the past four decades and there may never be another chance to secure this water."

Circular Head Irrigation Scheme project manager Paul Ellery also addressed the audience and explained about the work Tasmanian Irrigation (TI) had undertaken to reach completion of the preferred option and the work that will be required to achieve the goal of providing reliable irrigation water to the region.

"The volume of water purchased during the upcoming water sales period will determine the final scheme design, which is available to all landowners in the area of interest," he said. "This will then enable detailed design and surveys to be a targeted approach."

Scheme Size and Design

This scheme design has been based on expressions of interest (EoI) received by TI in early 2013, which revealed a total demand of 27,212ML of water to be delivered over a 150-day irrigation season.

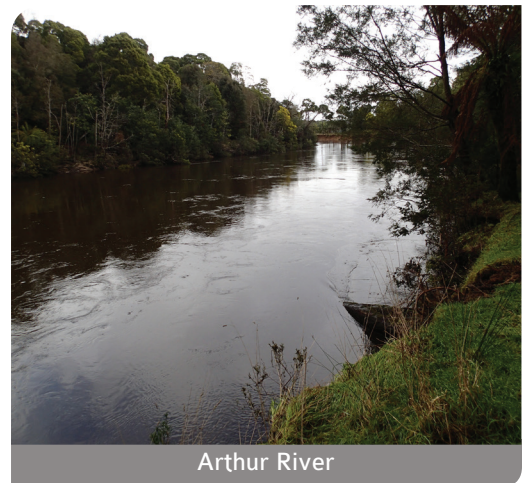
Whilst the design accommodates almost every EoI, it exceeds the ability of the project budget to deliver this demand. As a result, estimates show approximately 21,400ML could be delivered under the project budget allowance, which has the potential to create an over-allocation at water sales.

There are several ways to manage an over-allocation and these will be described in detail prior to the commencement of water sales.

Assess Your Water Needs

Over the course of the next two months, TI encourages all landowners considering purchasing irrigation rights to undertake their own assessments of the opportunity that now exists.

Some of the questions to ask yourself may include; do I have access to reliable water now? Is it enough to keep developing the farm? What extra feed production can I budget for and what will be the pay-back period for the water rights? Before and during water sales TI plans to have staff who can answer these and other questions available for your convenience but we also encourage landowners to discuss these matters with their own consultants.



Arthur River



Irrigated pasture

Water sales

In order to confirm the scheme design and the level of government funding required to build the scheme, it is prudent to go to water sales as the next major step.

Following feedback from the project launch, there are two areas that require further work prior to launching the water sales period.

The first is to assess the impact of possibly shortening the irrigation season to 120-days, which will increase the capital and operating costs and the second being to establish the operational management of transmission losses in the Duck River.

These two issues will be resolved prior to water sales in November 2014. It is also expected that irrigation rights will be available at \$1,200 per mega-litre with the initial deposit on a water right being 2 per cent with a further 8 per cent due upon funding approval.

Scheme Reliability

TI's schemes promise greater than 95 per cent reliability on water supply. It is the reliability that provides irrigators with business confidence, knowing that when they need water during the irrigation season it will be available.

The Circular Head Irrigation Scheme (CHIS) will rely on winter takes from the Welcome and Montagu Rivers for the Montagu region, winter and summer takes from the Arthur River for Duck region and Sky Creek for the Redpa region.

Time-frame

With a water sales period now planned to be November - December 2014, a business case won't be provided to the State Government until April 2015. Ideally, if funding was available the construction contracts could be tendered in the second half of 2015 for a January - February 2016 start to works. This is also dependent on the final scope of works and could mean that water will be available for the 2017-18 irrigation season.



Waiting for milking



Winter flows in the Montagu River

Scheme funding

The Circular Head Irrigation Scheme is one of five Tranche Two schemes that requires Federal funding to progress. The State Government has committed \$30 million to construct these schemes and a further \$110 million is required from the Federal Government. This funding is being actively pursued with the government.

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This newsletter contains information of a general nature and reasonable care has been taken to ensure accuracy at the time of publication. Scheme details and policies may change and individual circumstances may vary. This newsletter should not be relied upon as a basis of individual decision-making.

For more information and details regarding the articles in this issue, please contact:

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