

**Tasmanian Irrigation / Irrigator Representative Committee Meeting: Upper Ringarooma Irrigation District**

**Minutes**

Date: 21 June 2019 at 2.00pm  
Location: Dorset Council  
Attendees: Andrew Kneebone, Fiona Buckingham, Simone Reynolds, Troy Bowen, Ian Edwards, Ron Berwick, Stan Cox,  
Apologies: Ted Forsyth, Tim Branch

**1. Previous meeting minutes accepted.**

**2. Previous meeting actions:**

- TI to look at reducing annual fixed charge (operation & maintenance charge) increase to 0%
  - *Done*
- TI to confirm final budget including fixed and variable pricing with a breakdown of asset renewal fund movements
  - *Done – pricing confirmed and asset renewal reconciled.*
- Attach a copy of the by-laws to the minutes to circulate
  - *Done*

**3. Scheme summary:**

*Key points:*

- *60.00 ML sold this year @\$1,200/ML – indexing of pricing to be considered in the future.*
- *Reduced purchase price discussed but due to existing debt this is unlikely.*
- *Troy advises season started early but then eased off due to large rainfall. Season extended with a total of 2300 ML delivered.*
- *No major issues but some irrigators went close to using over their entitlement due to extended season.*
- *Flowrate trading discussed for irrigators to maximise utilisation of the scheme, including unused capacity.*
- *Dam Fill program - no need to pump at this stage due to high natural inflows.*

**4. Financial information (to May 2019):**

- General Availability water delivered to Tas Water.
- 170 ML more delivered than budgeted.
- Budget:

- Admin overheads were well over budget. Government funding had been assumed but was not received, and staff movements has affected these costs with the need for consultancy costs to enable the company to operate while seeking new finance staff.
- Operational overheads budget did not cover all staff and additional resources required for asset management works.
- IRC suggestions that \$346,000 Asset Renewal should be capped at a certain level then not payable.
  - *Further asset renewal planning needs to be done which will provide detailed outline of expected asset refurbishment/replacement over the life of the asset. TI plans to employ staff specifically for asset management to enable development of these detailed plans.*
- Government loan scheme available which could allow a scheme to borrow for scheme improvements, but would need to be serviced/repaid by the scheme.
- IRC asked if interest is payable on ARL. This is in a separate bank account, but note that interest rates are low at the moment.

5. 2019-20 budgets and draft water pricing:

- *IRC about land tax exemption: Not currently, however discussions are still underway.*

***ACTION: TI to investigate whether schemes can be exempt from land tax.***

Draft Pricing: small reductions

- *IRC ask if necessary to increase ARL.*
- *Would like to see storage charge removed and potentially be incorporated in the variable rate.*

***ACTION: TI to review pricing to investigate whether can avoid an increase to ARL, and remove the storage charge.***

**6. Draft Irrigator Representative Committee Charter:**

The IRC is a consultative committee representing the irrigator community, the charter defines the role and obligations of members of the committee.

- *Charter to be reviewed by IRC and provide feedback to be provided to Troy or Anna*

**7. Other business:**

- IRC acknowledged Scheme Operators efforts in the good management of the scheme.
- IRC advises irrigators seem to be happy with no known problems.
- Self management update provided:

- *IRC asked whether a superannuation fund could buy the scheme out. Current legislation would not allow this to happen. Self-management of schemes can only occur under an Operating Contract model as a Responsible Water Entity must maintain ownership of the assets under current legislation. Cannot delegate pricing, billing etc so cannot lease for that reason.*
- IRC enquired regarding power generation options going forward.
  - *Renewable Energy Project funding has been announced. Intention that any net profit would offset all of TI electricity costs not just per scheme. There would be no irrigator contribution to the capital cost of construction.*
  - *IRC asked whether the irrigators/scheme would be able to fund their own renewable energy upgrade. This would be considered upon request but would need to be fully funded by the scheme. If funded by irrigators/scheme the benefits would be applied to that scheme.*
- IRC asked about scheme costs compared to other schemes. Each scheme is quite different but all are operated on a cost-recovery basis (not aiming to make a profit).
- Tranche 3 update
 

Funding submission has been done for the first 5 schemes that can get underway quickly and easily. \$170 million commitment from governments. Prefeasibility is underway for:

  - Forth/Don
  - Northern Midlands
  - Fingal
  - West Tamar
  - SWIS augmentation

Southern Midlands and South East integration are part of the second phase of funding. Initial interest has increased since original funding commitment.
- Scottsdale Irrigation Scheme update
  - *Scottsdale scheme progressing, and aiming for delivery to start in February.*
  - *Camden Dam starting to fill and all earthworks done.*
  - *Water released from Headquarters Road Dam to enable works to be undertaken.*

***ACTION: TI to inform IRC of opportunities for renewable energy in this scheme.***