

To; Ian Johnson Water Policy Advisor – QFF
From; Morton Vale Lake Clarendon Pipeline Users Group Inc. (MVLCPUG Inc)

RE; SUPPORT DOCUMENTATION TO QCA PRICE PATH REVIEW
MORTONVALE PIPELINE AND SEQWATER -2013-17

Mortonvale pipeline annual nominal allocations were established after a "Letter of Intent" Morton Vale Irrigation Development, and submitted to Executive Director (Water Resources) DPI. The applicants indicated annual nominal allocations sought based on megalitres for irrigation (maximum 4 ml per hectare), area of cropping land also ml for stock and domestic purposes.

The EMP was done (refer to attachment A of "The Agreement_Contract."). All prospective Pipeline applicants properties had to meet the EMP before the Project could move to the next stage. Finally the approvals were given and contracts (THE AGREEMENT) were signed. The whole process confirmed after project was funded and applicants locked in to annual nominal allocations which were 5051 ml. (Refer to service area plan BR609 A3 and names all properties and allocations dated; 5/01/1995).

Mortonvale Pipeline was commissioned in March 1997 (refer to letter 11/3/1997 supply of water). DNR had commenced "clawing" back **Agreed nominal allocations** before the pipeline construction phase was completed. Eg, Qually/Predebon fax 3/12/1996 refer to four paged letter from DNR attached. This developed unnecessary concern to Pipeline Proprietors buying Pumps, reticulation pipes and expensive Irrigators in preparation for connection to the scheme outlets. The Qually allocation was 1150ml. Being quarantined by

The 5051ml allocation was significantly reduced prior to the scheme commissioning in April 1997.

DNR eventually advised our committee (fax Morton Vale Soils -23/7/1997 refer to attachment 9 pages) so they were after more clawback allocations .

Correspondence was sent to Minister Welford (refer to attachment letter 29/7/1998) . Ministerial reply 21/9/1998 didn't address the scheme problems)

Recommendations:

- 1 That the fixed and variable charges be reviewed

- 2 Renewals charges are imposed in some cases including future costs in water meter plinth reconstruction due to poor project supervision in the original construction of outlets. (Requires review of cost methodology)
- 3 Lake Clarendon /Mortonvale apportionment of costs in our opinion has been incorrect from inception of the scheme. Please review 5051ml. the clawback and 3507 November IROL 2000 up to current ML ?.
- 4 Review the compensating error now charged to Pipeline. It should be absorbed by previous pipeline overcharges.
- 5 Seek relief from payment of fixed tariffs and Capital Charges until ROP'S have been implemented.



1 December 1996

Walter P. de Lacy
PO Box 60
Roma Street
BRISBANE QLD 4000

Attention: Mr David Park

Dear Sir

RE: PRUDEN INTEREST IN PROPERTIES AT MORTON VALE

I refer to your correspondence dated 26 November 1996 wherein you requested information regarding the availability of any individual water allocations for 3 lots, namely:

- LOT 47 of SH1621
 - LOT 1 of RP159087
 - [REDACTED]
-) Parish of Clarendon

You are not required regarding access to separate off-takes from the pipelines which constitute the Morton Vale Water Supply Scheme for each of these lots.

Senior Technical Officer Neville Abbot of this office has verbally provided your Mr David Park with an overview of the Morton Vale Scheme and, as an enhancement to that briefing, copies of 2 plans are enclosed explaining:

- Morton Vale Water Supply Scheme
- the original Quatschelski holdings, the 3 lots being the subject of your correspondence and the existing off-take water off-take points.

It may also be of interest to note that the official opening of the Morton Vale Water Supply Scheme is scheduled for early 1997.

Also, please find enclosed a copy of the water agreement covering the properties signed by Mr N P Quatschelski and this Department. The document may well be relevant to your clients interests.



DEPARTMENT OF NATURAL RESOURCES
SOUTH EAST REGION

Queensland Government Department of Natural Resources Locked Mail Bag 961 South Brisbane QLD 4101	Fax 07 336 1261 Telex 62555 200 022 23534
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Waterworks Licences

- Lot 1 on CS11437 is intended to be served by the existing 150mm diameter water main to be installed to the water allocation of approximately [redacted]
- Lot 2 on CS11438 is intended to be served by the existing 150mm diameter water main to be installed to the water allocation of approximately [redacted]
- However, the situation in relation to Lot 43 on CS11621 [redacted]

The system was originally designed to serve the holdings under current ownership at the inception of the scheme. Hence, the dual outlets to the west of Lot 29 on CS11431 were intended to serve the [redacted]

- Lot 29 on CS11431;
- Lot 43 on CS11500;
- Lot 43 on CS11621;

[redacted]

Once results from a hydraulic design check is carried out and other matters are resolved, I can give an undertaking that Lot 43 on CS11621 can be served by an off-take point [redacted]

In theory, Lot 43 on CS11621 would be viable for a water allocation of [redacted] subject to licence conditions, [redacted] Any capital works required to be provided to gain an off-take point adjacent to the property would be subject to the Department's policy, namely that all or any costs associated with an extension or modification of the [redacted] and [redacted] borne by the [redacted]

Other Existing Waterworks Licences

You are advised that Licence No. 53962 relates to a proposed 80mm centrifugal pump on Lockyee Creek which is licensed to be located on an easement on Lot 47 on CS11432, Parish of Clarendon to supply the following:

DEPARTMENT OF NATURAL RESOURCES  SOUTH EAST REGION

Licence No. 53962
 18/12/2022
 09/01/2023
 10/01/2023

South East Region
 18/12/2022
 09/01/2023
 10/01/2023



NATURAL RESOURCES

- LOT 1 of S11204)
- LOT 2 of S11204) Parish of Liverpool
- LOT 1 of S11204)
- LOT 1 of R112067)

The licence is for irrigation, stockwatering and domestic purposes. An allocation of 60 hectares represents the area that may be irrigated under the authority of this licence. The pump has never been installed.

You are further advised that the allocations of all such licences on Lockyer and Laidley Creeks and located within the regulated sections of the Central Lockyer Project are under review in a process of converting hectare allocations to megalitre allocations. During this process allocations will be reviewed based on their history of water use and the alternative supplies available to the landowners involved.


This process is expected to be complete by 1st July 1997 and no guarantee can be given with regard to the size of the allocation that will result from the review.

Furthermore, I draw your attention to Section 19 of the Water Resources Act, 1989.

~~Should the licence be transferred to a new owner, the licence will cease to exist and there is no guarantee that a licence will be available from Lockyer Creek should the new owners then apply.~~

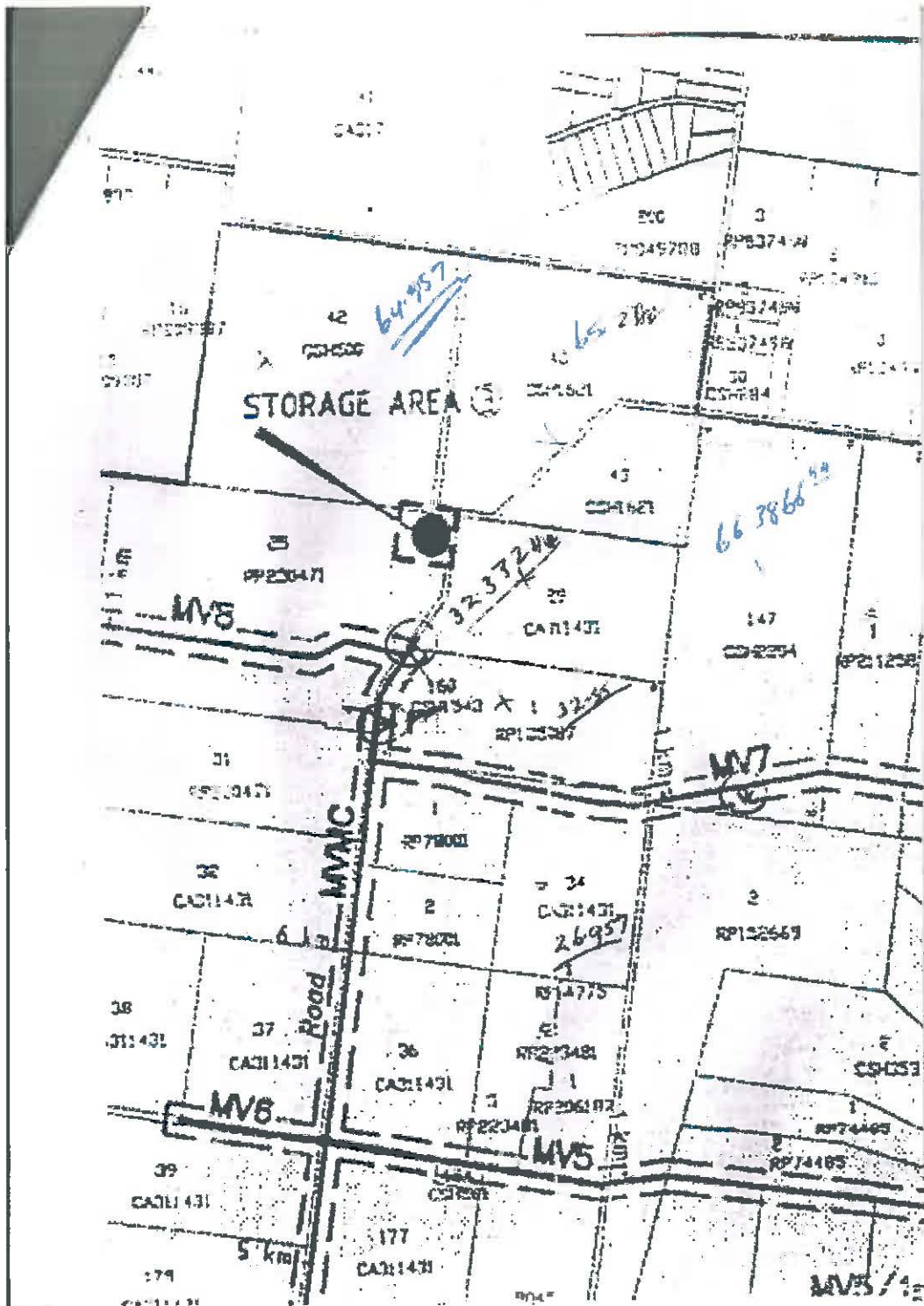
Therefore, if it is intended to maintain Licence No. 23962 it will be necessary for the existing licensee to apply to amend the licence to supply only those lots that will remain in common ownership. This must be done before any sale occurs.

Yours faithfully


AREA MANAGER,
STATE WATER PROJECTS, MORETON

DEPARTMENT OF NATURAL RESOURCES  SOUTH EAST REGION

For further information contact:
 Mr. [Name] (07) 5522 1111
 Mr. [Name] (07) 5522 1111
 Mr. [Name] (07) 5522 1111



DNR.
 (refer to page 5 of the agreement "Sale or change of ownership of property supplied")

Submission by Central Lockyer & Morton Vale schemes – SEQWater Irrigation Price Review 2013-17 - Draft Report

This submission primarily responds to revised pricing proposals outlined by QCA at a meeting in Gatton on 5th March 2103. At this meeting QCA indicated that they had applied the average of above average water use for the 15 year period (1998 to 2012) to estimate volumetric water charges which had the effect of reducing Part B charges and increasing fixed Part A charges from those proposed in the Draft Report.

The proposed charges were as follows:

Central Lockyer	Current Tariff		Proposed Tariffs			Cost Reflective Tariff
	2012-13 \$/ML	2013-14 \$/ML	2014-15 \$/ML	2015-16 \$/ML	2016-17 \$/ML	2013-14 \$/ML
Fixed	0.00	0.00	0.00	23.65	26.39	52.52
Variable	32.91	10.03	10.28	10.54	10.80	10.03
Morton Vale						
Total Fixed	0.00	27.43	30.17	33.02	36.00	72.44
Total Variable	37.68	13.56	13.89	14.24	14.60	13.56

While these revised tariffs were preferred to those presented in the draft report, representatives from both schemes attending the meeting voiced deep concerns about the impact the proposed fixed charges would have on irrigation enterprises in both schemes now and into the future. They were particularly concerned about the impact of the fixed tariffs on customers with smaller allocations whom they expected would not be significantly utilising their entitlements. QCA presented analysis which indicated water bill increases of between 30% (20% usage) to 84% (zero usage) in the Central Lockyer. Bills were forecast to increase in Morton Vale by 19% and 48% for the same usage levels. Representatives agree that the proposed cost reflective tariffs could not be implemented without significant restructuring of both schemes.

The following issues are raised for the consideration of both the QCA and the Queensland Government:

1. Planning and management for sustainable irrigation

While scheme customers recognise the need to plan and manage for the sustainable use of groundwater, they are very much aware of potential socio-economic impacts of implementing significant reductions to entitlements. Issues that have been consistently raised by irrigation entitlement holders during the ongoing investigations into the regulation of groundwater include:

- a. Implementation of management zones confer different volumetric conversions (between 0.9 and to over 4.0ML/ha) depending upon the zone. These zone boundaries have been confirmed to be consistent with hydrogeology data (Central Lockyer Valley

Independent Review of the Water Allocation Process & Alluvial Groundwater Model Audit – Water Solutions Pty Ltd 2004). However, it is submitted that in some areas these boundaries are arbitrary (eg using a road reserve). Irrigators also submit that the conversions in some zones do not reflect past extraction rates and established farming systems and supporting investment. However, in other zones the conversions maintain the status quo or in some cases could improve allocations. It is considered that smaller farms in low conversion areas will be adversely affected by these conversions.

- b. Areas of the original scheme have been removed from the scheme as they have been assessed as not receiving benefit. There is also at least one case of an individual farm being excluded from an existing zone as result of an assessment of no benefit. It is expected that other customers will want the opportunity to apply for benefit assessments (rejected in the past) as they expect a similar result based upon their farming experience.
- c. Groundwater regulation only affects the Central Lockyer scheme and not the Upper Lockyer which remains unregulated
- d. Irrigators continue to question the validity of water modelling due to the randomness of sampling and the time periods between sampling
- e. Scheme Infrastructure (Lake Dyer and Lake Clarendon) have not achieved planned performance levels (see comments in Item 2 below)

While QCA's proposal to delay imposition of fixed tariffs for the first two years of the price path is welcomed, there is a concern that groundwater planning will now be rushed allowing little time to address the complex implementation issues in the Central Lockyer and Morton Vale schemes. In particular, DNRM may only have time to implement interim water allocations that are not tradable or have significant restrictions on the movement of entitlements limiting the scope for customers to make adjustments for the impact of water prices. Also it is expected that customers in the Morton Vale scheme are likely to face difficulties with the imposition of fixed charges as well as any capital charges given the expected continuing poor performance of the scheme.

Recommendations

- ***Department of Natural Resources and Mines consult with scheme customers on a program for the conduct of water planning for the Central Lockyer that provides sufficient time for issues being raised by irrigators to be addressed.***
- ***QCA allow for a review of the imposition of fixed tariffs in the Central Lockyer if resource operations plans have not been fully implemented by 30th June 2015***
- ***Morton Vale customers be permitted to seek relief from the payment of fixed tariffs and capital charges until ROPs have been implemented***

2. Performance of the Central Lockyer scheme infrastructure

Bill Gunn Dam and Lake Clarendon have performed well below planned supply levels over the period since commissioning. Records show that for seven of the 12 years to 2007 both facilities could not supply water. This poor level of performance was under discussion and review over this period. The minutes of quarterly meetings of SunWater's South East Customer Council (covering all schemes in

south east Queensland) from 2003 to 2006 also highlight the concerns about the performance of irrigation schemes and efforts to implement scheme rules, progress with water planning and earlier water pricing rounds, implementation of drought management strategies and lack of consultation on key investigations being undertaken into scheme issues.

Irrigator representatives from the Lockyer schemes were continually seeking solutions on key issues particularly with the poor performance of the schemes from 2000 and increasing discussions regarding the implementation of national water reforms. The submission by irrigator representatives to the House of Representatives' Inquiry into Water Supplies for Australia's Rural Industries in September 2002 highlights concerns regarding water management in the Lockyer Valley. Morton Vale customers have been in constant contact with the State Government since the scheme was commissioned to address problems of poor water supply (see additional note below on scheme entitlement reduction).

Lockyer irrigators organised to address the issues with the formation of the Lockyer Users Forum in 2003. The Forum made representations to the State Government on a frequent basis. The reply to a letter to the Lockyer Water Users Forum from the then Minister for Natural Resources and Mines in September 2003 shows a recognition of the problems and some indication of action that needed to be taken in the Central Lockyer. For example the Minister indicated that it was necessary to revise the estimated yield of Lake Clarendon based upon actual data. He added that there were 'problems associated with delivering water from the Lake to some pipeline outlets.' He also advised that SunWater was producing a future directions document and the early priorities being identified by the community (eg obtaining an additional source of water for the scheme, improving the effectiveness of the scheme and reducing the costs of the existing scheme to users if effectiveness cannot be improved).

Ten years on, little has been achieved. For example SunWater proposed measures to address the limitations on supply to some pipeline outlets from Lake Clarendon but did not proceed with investigations and then abandoned the project when the State Government implemented fixed tariff rebates during the height of the drought.

The Lockyer Water Users Forum made a concerted effort from 2003 to 2008 to develop a 'Co-management' proposal with DNRM to sustainably manage the Lockyer Valley surface and groundwater systems. This effort lapsed as support from the Australian Government was not forthcoming. Progress with the implementation of groundwater management slowed during the period and has now been overtaken by the implementation of pricing reforms. There is now a significant risk that poor coordination between water planning and management reforms and pricing will undermine the benefits expected to result from these reforms.

Looking forward, the significant risk for customers of both schemes is the possibility that the performance of the scheme assets will not improve even when measures to limit take to sustainable yield are being implemented. Customers will be looking for improvement in the average volumes of water that would be available and improved reliability. If the performance of both schemes is not significantly improved prices proposed by QCA are expected to have a negative impact on both schemes.

Irrigation customers have little confidence that SEQWater will have a commercial interest or the capacity to work with both schemes to achieve needed improvements in performance. Customers are also reluctant to take a proactive approach to address the issues involved in implementing both water planning and pricing reforms as they expect an inadequate level of engagement.

It is recognised, however, that DNRM, SEQWater and customers must engage in the planning and management of both schemes to successfully achieve reductions in the take of groundwater to sustainable levels while at the same time facilitating customers to improve farm productivity. It would also be hoped that improved local management of the groundwater scheme would gain efficiencies to drive down scheme management costs.

Recommendation

- ***The Queensland Government require the Department of Natural Resources and Mines, Department of Energy and Water Supply, SEQWater and Irrigator representatives to develop a coordinated plan for the implementation of water planning and management and pricing reforms for the Central Lockyer (and Morton Vale) scheme.***

Morton Vale Entitlements

At the QCA meeting on 5th March at Gatton, Morton Vale customers drew attention to the reduction in water entitlements for the scheme that occurred during the mid-nineties. QCA officers sought further information on this matter. Customers have subsequently confirmed that the original surface water entitlement for the scheme was 5051ML which is significantly above the current 3,470ML of medium priority interim water allocations identified in the QCA Volume 2 report. Documentation to verify this scheme information has been collected by customer representatives which confirms that surface entitlements were reduced to 3,507ML with the implementation of the Interim Resource Operations Licence in 2000 (See attached documentation). There had been proposals put by the Department of Natural Resources to Morton Vale customers during 1997 and 1998 to either reduce scheme entitlements by 1,150ML or to reduce entitlements on farms to '4ML/ha of land considered suitable for irrigated agriculture.' Documentation shows that the Department recognised that there was a problem with the release rules for Lake Clarendon for the Morton Vale scheme, recharge of the Lockyer Creel aquifer and Lockyer Creek riparian irrigation. The Department sought to address these issues finally with the approval of the Interim Resource Operations Licence in 2000. It is submitted that this reduced customer base should not bear full responsibility for the renewals and operating costs of the scheme. The payment of a capital charge also requires review.

Recommendation

- ***QCA investigate whether Lake Clarendon and associated distribution assets are in excess of what is required to operate the scheme allowing a reassessment these costs to reflect the 'optimised cost' of supplying water to scheme customers.***

3. Impact of prices on farms

Marsden Jacob Associates prepared a report for the Department of Natural Resources and Water in 2008 entitled 'A social and economic assessment of proposed water management arrangements for the benefitted area of the Central Lockyer – Part 1 & 2 Report.' The consultant used seven representative farming enterprises as a basis for the assessment and found that three of the farms could have problems with costs exceeding benefits based on water received in the thirteen year period to 2005-06. Looking forward the consultant forecasted that cost impacts will be lower once the groundwater resources are 'in a much healthier state'. In particular, it was concluded that 'As NRW is recommending maximum sustainable yields under the proposed reforms, it is difficult to see how, as a group, irrigators can be worse off under the new arrangements.' The consultant also notes that there will be additional supply security, reduced risk of spread of salinity, improved equity of access to groundwater resources and reduced pumping costs to improve the position for irrigators.

It is difficult for customers to accept these findings given the limitations placed on the scope of investigations and the need now to consider the implications of having to eventually implement QCA's forecast of prices required to achieve cost recovery targets for both schemes. They also point that water prices have gone up by 300% and electricity prices by over 200% in past ten years. Farmers in the Lockyer are making investments to change the water retention properties of soil, to use less water and electricity and change to zero till in an effort to reduce costs and remain viable. The economic condition of the farming industry in the Lockyer is poor following the drought and floods and it is expected that the move to fixed charges will put many out of business. There is a concern that proposed QCA charges will lead to a further drop in water extraction as costs will exceed expected returns.

Implementation of proposed QCA prices will require further assessments of impacts for representative farming enterprises and areas within both schemes. It will also be necessary to examine options for customers to adjust to these impacts through trading or other measures and any action required to remove impediments to these adjustments. The option of customers being forced to hand in interim water allocations as the only option to manage price impacts must be a last resort.

The Lockyer Users Forum has not questioned the need for the reforms but has questioned whether the benefits proposed by Marsden Jacob can be delivered based on performance of State Government and water providers from the mid-nineties. Steps that may be taken over the next few years to implement reforms must be conducted in a way that helps irrigators to confirm benefits proposed by Marsden Jacob. The consultant particularly cites the importance of the reforms in enhancing security and reliability of supply and equity of access to groundwater resources. Recommendations are made re the need for hydrogeological modelling 'to estimate the reduction in year to year variation in yields' and the need for grower input on how improvements in reliability will improve farm planning, risk and productivity.

Recommendations

- ***Economic and social assessments of defined water management arrangements for the Central Lockyer and Morton Vale schemes need to be conducted as a matter of urgency.***

These investigations should also identify measures to adjust to impacts on farming enterprises.

- ***Managing for the impact of water planning and pricing reforms must be within the terms of reference for the preparation of a coordinated plan for the Central Lockyer (and Morton Vale) scheme.***

4. Consultation

At the 5th March meeting in Gatton, QCA tabled cost estimates for SEQWater to conduct forward renewals options analysis, production of annual network service plans and response to submissions and the establishment of scheme advisory committee.

Representatives attending on 5th of March were supportive of the annual network service plans and scheme advisory committees noting that SEQWater forecast that it would cost \$7,000 per annum per scheme to provide these services. The forecast of \$16,730 for renewals analysis for the Morton Vale scheme was not accepted. Scheme representatives require further advice from SEQWater on the proposed investigations.

As outlined above these proposed consultation arrangements will not address the needs for engagement regarding the coordinated implementation of water planning and management and pricing reforms. It is considered however that the implementation of a coordinated plan involving implementation of local management of groundwater use could be expected to provide significant savings in direct and therefore the indirect operating costs for the scheme. These efficiencies would need to be passed onto customers in future pricing rounds.

Recommendations

- ***Annual network service plan reviews and a scheme advisory committee are supported for the Central Lockyer/Morton Vale scheme.***
- ***SEQWater address the need for future renewals analysis with Morton Vale customer representatives***
- ***Terms of reference for the preparation of a coordinated plan for the Central Lockyer (and Morton Vale) scheme must include consideration of operating cost efficiencies (direct and indirect) that can be delivered from local management of groundwater.***

This Submission

This submission is made by scheme representatives. There has been insufficient time since the meeting on 5th March to consult more widely with scheme customers.

DATE: 13/3/2003
TO: Q.F.F. QLD.
ATTENTION: IAN JOHNSON
FACSIMILE NO: 07-32364100
FROM: Ashley Clark. - MVLC PUG inc.
NO. OF PAGES:
SUBJECT: Q.C.A. - M.V. Pipeline Allocations

COMMENT:

1. 1995 5051 ml.
- 2: 312/2/1993 Min. P.I. CASEY - Project inclusion for 1993/94 Budget.
4. 1994 Agreement. (PI)
5. ✓ ✓ (P5) CHANGE of OWNERSHIP Property
- 6-12 Attachment A E.M.P. Merton Vale
- 13- Dec 1996 - DNR FAX - Proposed Allocation Nontransfers.
- 14 - 11/3/1997 - ~~Commencement~~ Notification to Connect.
- 15-23 FAX - DNR to M.V. 23/7/97 - More Clawback. 1150ml.
- 24-25 Letter to Minister. Welford - Scheme Viability in doubt.
- 26-27 ✓ From ✓ ✓
- 28 - IROK - P35 Non Allocation down to 3507 ml.
NOV 2000



Minister for Primary Industries



12 FEB 1994

Mr L. Scott, MP
Federal Member for Oxley
PO Box 33
IPSWICH QLD 4305

Dear Mr Scott,

CENTRAL LOCKYER IRRIGATION PROJECT - MORTON VALE AREA

I refer to your letters of 6 January and 28 January on behalf of Mr Ashley Clark of Kentville concerning extension of the area benefited by the Lake Clarendon Scheme to include the Morton Vale area.

The proposed works to include Morton Vale will be submitted, along with the other works described by Mr Clark, for consideration by the Queensland Government for inclusion in the 1993/94 budget. They will have to compete with many other proposals from all Ministerial portfolios for the limited funds available.

Even though the Morton Vale area was included in the original scheme, funds can only be made available for construction of the work through the budget process. To that extent, it has to be considered as a 'New Initiative'. I am unable to give any commitment to whether funds will be made available in 1993/94 until the budget is formulated.

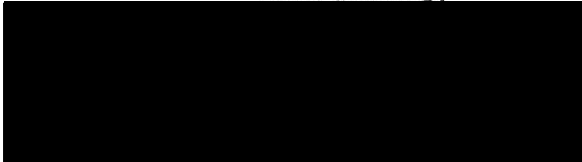
I have no doubt that beneficiaries of the proposed new works will be expected to contribute towards their capital costs. Because Morton Vale was included in the original scheme, I am prepared to recommend to the Cabinet Budget Review Committee that consideration be given to a reduction in the capital contribution which would normally be expected from the Morton Vale growers. At the same time I must point out that the 'one price' policy advocated by Mr Clark provides a significant advantage to the Morton Vale growers. Whereas the Morton Vale users would obtain their supply from a pipeline, often under pressure, other users would have to pump from an open stream or from a deep bore. Those pumping from streams face a cost of some \$65/megalitre for pumping and repayments on equipment over and above the purchase price of the water. Groundwater extraction incurs an even greater add-on cost of up to \$110/megalitre. Those taking supply from pressure pipelines only face additional costs of some \$37/megalitre and therefore would have a much greater capacity to pay more to purchase supplies. This will need to be taken into account as well in consideration of equity.

OFFICE: Primary Industries Building, 80 Ann Street, Brisbane Q 4000
POSTAL: GPO Box 46, Brisbane Q 4001
Telephone (07) 23 93000 Facsimile (07) 22 90260

not prepared to discontinue negotiations with other potential users. As I have stated, capital contributions will certainly be expected for new works, and the willingness to pay must be established. My Department is seeking expressions of interest from growers so that the level of demand can be established and the available supplies can be used as soon as possible to maximise the cash flow and economic benefits. I can, however, assure you that the supplies envisaged to be used in the Morton Vale area will not be allocated to other users.

In summary, consideration will be given to the points raised by Mr Clark during the formulation of the State budget. I trust this information will enable you to respond to Mr Clark.

Yours sincerely,



EDMUND CASEY
Minister for Primary Industries

1

THIS AGREEMENT is made this _____ day of _____ 1994 between PRIMARY INDUSTRIES CORPORATION the Corporation constituted by the Primary Industries Corporation Act 1992 (the "Corporation") and _____ (the "Proprietor")

WHEREAS

- (A) The Corporation has constructed works including Lake Clarendon to store water for sale to consumers in the Lockyer Valley.
- (B) The Proprietor desires to be supplied with water from Lake Clarendon.
- (C) The Corporation intends to construct a distribution network to supply water from Lake Clarendon to the Proprietor's property which is located in the Morton Vale area, subject to the terms of this Agreement.

THE PARTIES AGREE AS FOLLOWS:-

1. DURATION OF THE AGREEMENT

- 1.1 Subject to the following provisions, this Agreement shall commence from the date of signature and shall remain in full force and effect until terminated or reviewed in accordance with Section 11.

2. PROPERTY TO BE SUPPLIED

- 2.1 The Corporation will supply water via a pipeline or other network, to the boundary line of the Proprietor's property described below:

Lot: _____ Plan: _____ Parish of: _____ County of: _____

Lot: _____ Plan: _____ Parish of: _____ County of: _____

Lot: _____ Plan: _____ Parish of: _____ County of: _____

3. ALLOCATION OF SUPPLY

- 3.1 A year shall be deemed to commence on the first day of July and end on the thirtieth day of June in the next calendar year.
- 3.2 The Proprietor will be granted a maximum nominal allocation calculated at the rate of four (4) megalitres per hectare of irrigable land. Nominal allocation is that amount of water able to be supplied in most years as defined in the Water Resources Act 1989.
- 3.3 The Corporation agrees to allocate the Proprietor a nominal allocation of ~~208~~ ²¹⁰ Megalitres. 16w
20
- 3.4 The Corporation, at the beginning of each year or from time to time during that period may, in respect of the nominal allocation granted under Section 3.3, determine an announced allocation and may alter an announced allocation so determined based on the volume of water available from Lake Clarendon.

2026
1995
31

This payment will consist of the sum of:-

- all outstanding capital charges at that date plus interest as determined in Section 10.13 of the Water Resources Act or subsequent legislation, and
- an amount equivalent to all subsequent capital contributions up to the year 2026 discounted at the rate of 5% per annum

9.2 From the date this payment is made, the Proprietor shall be liable only for the Annual Water Charge as set out in Section 5.1(b).

10. SALE OR CHANGE OF OWNERSHIP OF PROPERTY SUPPLIED

Should the ownership of the property to which this agreement refers to (as scheduled in Section 2.1) change, the following conditions will apply:

10.1 If the property is sold the Proprietor will remain responsible for the outstanding charges as detailed in Section 5.1 (a) unless this agreement is transferred to the new Proprietor.

In this case, the Corporation may, upon application in writing and payment of the prescribed fee (if any) by the new Proprietor, transfer the nominal allocation agreed under Section 3.3 of this Agreement to the new Proprietor of the property described in Section 2.1.

A transfer under this Section is subject to the prior acceptance in writing by the new Proprietor of the terms to which this Agreement is applicable at the date of the application, and is subject to payment of all outstanding charges by the previous Proprietor.

10.2 The Proprietor's successors in title will be bound by this agreement.

10.3 The Proprietor or the estate of the Proprietor will be responsible for outstanding charges as detailed in Section 5.1 (a) should the ownership of the property to which this agreement refers to (as scheduled in Section 2.1) change for any other reason.

11. TERMINATION OR REVIEW OF THIS AGREEMENT

11.1 The Proprietor may terminate all his/her obligations under this agreement at any time by the early redemption of the capital component in accordance with Section 9 of this agreement or by other arrangements as agreed to by the Corporation.

11.2 At any time during the currency of this agreement either party may request a review of the conditions of this agreement. Any variation of the conditions of this agreement will be subject to the consent of both parties.

ATTACHMENT A

**ENVIRONMENTAL MANAGEMENT PLAN
MORTON VALE PROJECT**

1.0 Introduction

The objective of this Environmental Management Plan (EMP) is to ensure that irrigation of land in the Morton Vale area is "ecologically sustainable and consistent with best land management practices". The attached information outlines the aims, components and structure of an EMP.

The Morton Vale Project essentially encompasses approximately 1 500 ha of farmland near Lake Clarendon. The plan specifies the management arrangements and irrigation methods for all farms in the area.

2.0 Background

Following a decision to include the Morton Vale area in the benefited area of the Lake Clarendon scheme, an investigation was carried out into the effects of surface water irrigation on groundwater levels in the area. It was considered that there could be a risk of salinisation or rising water tables within the benefited area.

A basic groundwater model using the Aquifer Simulation Model (ASM) technique and available data, was constructed for the Morton Vale benefited area to determine the impact of surface water irrigation upon groundwater levels. The simulation by the ASM modelling process indicated that application of irrigation water could cause groundwater levels to rise by up to 2 metres. The greatest effects would occur in the western areas with minimal or no effect on other areas.

Following the report on groundwater investigations, the Corporation requires that an Environmental Management Plan be implemented to minimise the effects of surface water irrigation upon groundwater levels and quality.

3.0 Purpose of EMP

The EMP identifies environmental impacts and mitigation measures to be implemented and also details corrective action to be carried out if an undesirable impact occurs.

The EMP

provides practical and achievable plans for the management of the Project to ensure that environmental requirements are complied with.

provides the farming community with management strategies which maintain farms that are economically sustainable.

The EMP will be periodically updated to reflect knowledge gained during the course of operations. Changes to the EMP will be implemented in consultation with the relevant authorities and the Proprietor.

4.0 Administrative Arrangements

A local management group will be set up which will comprise all participating Proprietors with assistance provided by representatives of the Corporation. The group will not be responsible for monitoring groundwater levels, but will be responsible for ensuring the EMP is implemented, as much as possible, through self regulation. The Corporation will monitor groundwater levels. The group will provide advice to the Corporation on the operation and management of the EMP and the distribution network. The administrative responsibilities for each element of the EMP are detailed in Section 5.0.

5.0 Elements of the EMP

The EMP comprises the following elements:-

- . Allocation of supply
- . Groundwater levels
- . Groundwater quality
- . Property Water Management Plan

Details of each element are described below.

5.1 Element 1 - Allocation of supply

Policy -

The quantity of water supplied to a Proprietor's property will be controlled to prevent water tables rising to levels which will cause land and water degradation.

Performance Requirement -

Each property will be allocated a nominal annual irrigation volume based on 4 megalitres per hectare of irrigable area. At the start of each water year, an announced allocation based on the storage level in Lake Clarendon will be determined by the Corporation.

Monitoring -

Each property will be metered and readings of water use will be taken by the Corporation on a quarterly basis.

Corrective Action -

Announced Allocations will be reduced in the event of water tables rising as follows:-

- if groundwater levels in the property area reach 2.5 metres below surface level, the announced allocation will be reduced by 1.0 ML/ha/annum.
- if groundwater levels in the property area reach 2.0 metres below surface level, the announced allocation will be reduced by a further 1.0 ML/ha/annum.
- if groundwater levels in the property area reach 1.5 metres below surface level, the announced allocation will be reduced by a further 1.0 ML/ha/annum.
- If groundwater levels in the property area are less than 1.0 metres below surface level, the allocation will be zero.

Graphs showing groundwater levels in the area will be available at the Gatton Office of the Corporation.

Responsibility for Implementation -

The Corporation will be responsible for implementation and on-going operation of this element of the EMP, with advice from the local management group.

5.2 Element 2 - Groundwater levels

Policy -

A network of monitoring bores will be selected and installed to provide information on the status of groundwater levels.

Performance Requirement -

Water levels in the selected bores are to be monitored by the Corporation. Several selected bores will be recorded monthly and the rest recorded at three monthly intervals. The need for three monthly monitoring and recording of water levels will be reviewed by the Corporation within two years of the commissioning of the distribution network or as considered necessary by the Corporation.

Monitoring -

Representative bores shall be selected for various parts of the area and the levels in these bores will be plotted on graphs on display at the Gatton Office of the Corporation. These graphs are to be used as a basis for adjustment of announced allocations in the area.

Corrective Action -

Allocations shall be reduced in accordance with the rules outlined under Element 1 - Allocation of Supply.

Responsibility for Implementation -

The Corporation will be responsible for implementation and on-going operation of this element of the EMP, with advice from the local management group.

5.3 Element 3 - Groundwater Quality

Policy -

Groundwater will be monitored regularly by the Corporation and the data made available to the local management group and individual Proprietors.

Performance Requirement -

The quality of groundwater should not deteriorate from baseline levels established during the initial stage of monitoring.

Monitoring -

Monitoring of observation bores will be carried out as a two stage process:

- (i) Initial Stage detailed monitoring on a six monthly basis for the first two years, with review at the end of that time.
- (ii) Routine Stage from the end of the Initial Stage subject to review or 5 yearly intervals.

Details of each stage are shown below:

(i) Initial Stage:

Complete a sampling round of groundwater quality sampling for all observation bores in the Project area and complete analysis for general groundwater quality parameters (as detailed in G.C.L. Underground Water Analysis Report), nitrates, nutrients and pesticides. This will provide baseline data before increased irrigation activities begin in the Morton Vale Area.

The sampling for these parameters should be repeated on a six monthly basis for 2 years.

(ii) Routine Stage:

Samples taken at various depths will be analysed for conductivity on a 6 monthly basis. Trends will be plotted with time (including water level contours) in an endeavour to identify any problem areas. In order to obtain accurate reading for each bore, the bore will be pumped for a minimum period so that a truly representative sample is obtained from the formation.

Corrective Action -

The Corporation will supply the local management group with the groundwater quality data on a quarterly basis.

Should the quality of the groundwater deteriorate from the baseline levels, corrective measures will be instigated in consultation with the Proprietor and the local management group.

The Proprietor of each affected property will take corrective action as recommended by the local management group or Corporation. This action may include modification of irrigation practices, construction of drainage system or other works.

Responsibility for Implementation -

The Corporation will be responsible for implementation and on-going operation of this element of the EMP, with the local management group assisting with corrective action through review and implementation of Property Water Management Plans.

5.4 Element 4 - Property Water Management Plan (PWMP)

Policy -

A plan for water management of each property will need to be prepared, implemented, and updated as necessary to ensure the farm's water resources are used and managed in the most efficient and economical manner to maximise output from available water resources.

Performance Requirement -

The Property Water Management Plan should include details of:

- water management
- irrigation methods
- water table management
- drainage management
- farm layout

Monitoring -

Update and review PWMP every 5 years.

Corrective Action -

Adjust PWMP to suit changed conditions.

Responsibility for Implementation -

Each Proprietor will be responsible for the preparation, implementation, and updating of their Property Water Management Plan. The local management group and the Corporation will provide assistance to Proprietors in preparing their plan. The Corporation will assist Proprietors by organising workshops to prepare (and as necessary update) their own Property Water Management Plans.

9/97

FACSIMILE TRANSMISSION

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**NATURAL
RESOURCES**

DATE: 23/7/97

TO: Gatton DNR

ATTENTION: Ashley Clark

FACSIMILE NO: _____

FROM: _____

TELEPHONE NO: (07) 3224 8904.

Department of Natural Resources
 Moreton District, Brisbane Office
 Mineral House, 4th Floor, 41 George Street,
 GPO Box 2692, Brisbane Q 4001
 Telephone: (07) 3224 8697 Facsimile: 3224 2933

NO. OF PAGES (INCLUDING COVER): 89 ORIGINAL TO FOLLOW IN MAIL: / no

SUBJECT: Morton Vale Sels.

COMMENT: There is one other property affected opposite from Sippl's, Yanself, Peter's.

The addnl property is SMITH formerly Byron.

Don Lock

PROPOSED DRAFT WATER ALLOCATIONS
TO BE APPLIED TO PROPERTIES
ONLY WHEN OWNERSHIP CHANGES

NOTE:

This is a discussion issue. NO decision has been made by the Department to implement these changes.

At the moment the Department is consulting the community on the issue BUT NO decision to proceed has been made.

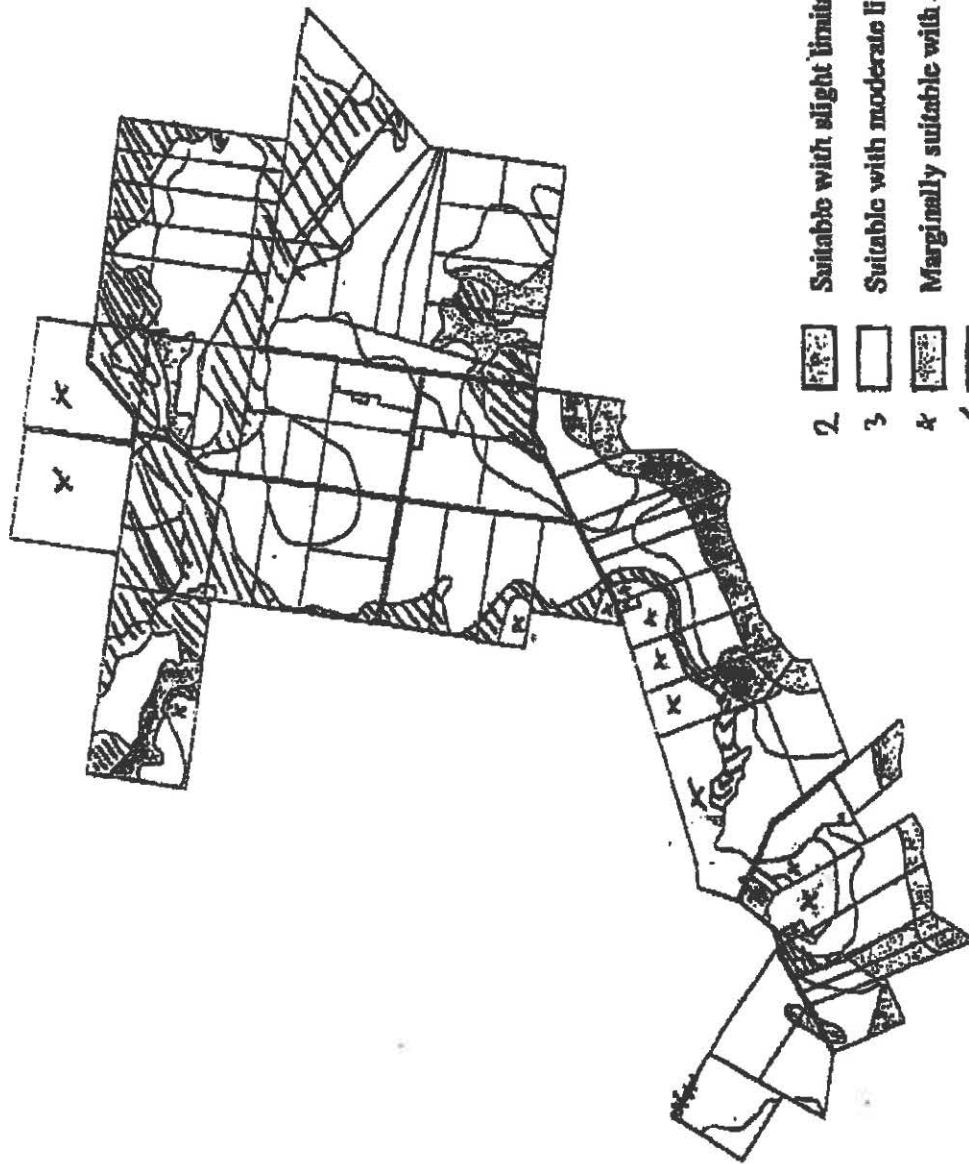
D. J. Cock
D.J.Cock
Operations Manager SWP Brisbane






MORTON VALE EXEC MTG RE UNSUITABLE SOILS

Bernie Sippels farm shed 12 noon - Morton Vale School Rd

At any change of ownership of a property within the Morton Vale Benefited Area, the Department shall reserve the right to adjust the Water Allocation on that property subject to a maximum allocation of 4 ML/Ha of land with soils considered suitable for irrigated agriculture.

// Alternatively reduce the Morton Vale Allocation by 1150 ML for 1997/98 water year.



- 2  Suitable with slight limitations
- 3  Suitable with moderate limitations
- 4  Marginally suitable with severe limitations
- 5  Unsuitable
- 0  No Data

MORTON VALE SCHEME

REGISTER OF ALLOCATIONS AFFECTED BY
UNSUITABLE SOILS

1. Sippel MM
BDO/515/005 (28)
Lot 44 on CA311431
- | | | |
|--------------------------|-----------|------------------------|
| Total Lot Area: | 27.693 hA | Allocation = 110 MI |
| Area of Unsuitable Soil: | 1.2 hA | |
| Balance Area: | 26.5 hA | x 4 MI / hA = 105 MI * |
- * Suggested future allocation
-
2. Sippel B
BDO/515/005 (14)
Lot 38 on CA311431
- | | | |
|--------------------------|-----------|-----------------------|
| Total Lot Area: | 26.231 hA | Allocation = 104 MI |
| Area of Unsuitable Soil: | 2.5 hA | |
| Balance Area: | 23.7 hA | x 4 MI / hA = 95 MI * |
- * Suggested future allocation
-
3. Sippel M
BDO/515/005 (13)
Lot 39 on CA311431
- | | | |
|--------------------------|-----------|------------------------|
| Total Lot Area: | 31.915 hA | Allocation = 128 MI |
| Area of Unsuitable Soil: | 7.1 hA | |
| Balance Area: | 24.8 hA | x 4 MI / hA = 100 MI * |
- * Suggested future allocation
-

4. Sippel T,M,B
BDO/515/005 (12)
Lot 178 on CA311431

Total Lot Area:	32.365 hA	Allocation = 128 MI
Area of Unsuitable Soil:	4.6 hA	
Balance Area:	27.8 hA	x 4 MI / hA = 110 MI *

* Suggested future allocation

5. Clark DG
BDO/515/005 (40)
Lot 1 on RP211258

Total Lot Area:	32.328 hA	Allocation = 105 MI
Area of Unsuitable Soil:	7.2 hA	
Balance Area:	25.1 hA	x 4 MI / hA = 100 MI *

* Suggested future allocation

6. Clark DG
BDO/515/005 (40)
Lot 2 on RP211258

Total Lot Area:	32.421 hA	Allocation = 105 MI
Area of Unsuitable Soil:	11.9 hA	
Balance Area:	20.5 hA	x 4 MI / hA = 85 MI *

* Suggested future allocation

7. English J (Ex: Qualischefski)
BDO/515/005 (??)
Lot 147 on CSH2204

Total Lot Area:	66.387 hA	Allocation = 260 Ml
Area of Unsuitable Soil:	32.6 hA	
Balance Area:	33.8 hA	x 4 Ml / hA = 135 Ml *

* Suggested future allocation

8. Porter M (Ex: Qualischefski)
BDO/515/005 (??)
Lot 29 on CA311431

Total Lot Area:	32.332 hA	Allocation = 130 Ml
Area of Unsuitable Soil:	8.3 hA	
Balance Area:	24.1 hA	x 4 Ml / hA = 100 Ml*

* Suggested future allocation

9. Porter M (Ex: Qualischefski)
BDO/515/005 (??)
Lot 34 on CA311431

Total Lot Area:	26.957 hA	Allocation = 108 Ml
Area of Unsuitable Soil:	5.5 hA	
Balance Area:	21.5 hA	x 4 Ml / hA = 85 Ml *

* Suggested future allocation

10. Predebon FR (Ex: Qualischefski)
BDO/515/005 (51)
Lot 1 on RP135087

Total Lot Area: 32.55 hA Allocation = 130 Ml

Area of Unsuitable Soil: 21.5 hA

Balance Area: 11.1 hA

**** Suggested future allocation = 65 Ml

11. Porter M (Ex: Qualischefski)
BDO/515/005 (??)
Lot 42 on CSH500

Total Lot Area: 64.957 hA Allocation = 260 Ml

Area of Unsuitable Soil: 64.957 hA

Balance Area: Nil

**** Suggested future allocation = 100 Ml

12. Predebon G,D (Ex: Qualischefski)
BDO/515/005 (50)
Lot 43 on CSH1621

Total Lot Area: 65.2 hA Allocation = 260 Ml

Area of Unsuitable Soil: 65.2 hA

Balance Area: Nil

**** Suggested future allocation = 100 Ml

5

13. Smith E,ME,RE,SM
BDO/515/005 (48)
Lot 24 on RP888102

Total Lot Area: 18.07 hA Allocation = 50 MI

Area of Unsuitable Soil: 15.5 hA

Balance Area: 2.6 hA

**** Suggested future allocation 30 MI

14. Smith E,ME
BDO/515/005 (47)
Lot 23 on RP888102

Total Lot Area: 16.4 hA Allocation = 50 MI

Area of Unsuitable Soil: 7.0 hA

Balance Area: 9.4 hA x 4 MI / hA = 40 MI *

* Suggested future allocation

(END)



11 March 1997

DG Clark - The Clark Family Trust
MS 546
FOREST HILL QLD 4342

Dear Sir/Madam

SUPPLY OF WATER: MORTON VALE PIPELINE

As from Wednesday 12 March 1997 and including that day, irrigation water from Morton Vale pipeline will be available at the outlet serving your property. Thus 12 March 1997, is the date deemed to be the date of supply in accordance with Clause 5.1 of the Agreement.

There is a minor problem with loss of water in the pipelines which is yet to be concluded. If a leak does appear subsequent to Wednesday 12 March 1997, any repair work will be concluded quickly to minimise disruption to farmers.

Yours faithfully

Don Cock

Don Cock
AREA MANAGER
STATE WATER PROJECTS



D E P A R T M E N T O F N A T U R A L R E S O U R C E S

**QUEENSLAND
GOVERNMENT**

Enquiries to: N Ablitt
Mineral House, 41 George Street, Brisbane Qld 4000
GPO Box Brisbane Qld 4001

Your Ref:
Our Ref : mortonvale clients
g:/.../hunters/eflic/mvwtisup.doc

OUR REF: MWAG4
28/7/1998

LAKE CLARENDON MORTON VALE PIPELINE
BENEFICIARIES,
C/-A CLARK
KENTVILLE, N/S 546 FOREST HILL 4342
PH. 0754658213

HON. ROD WELFORD MLA
MINISTER DEPARTMENT OF NATURAL,
RESOURCES,
QUEENSLAND
G.P.O. BOX 2692
BRISBANE 4001

DEAR SIR,

RE: EROSION OF POSITION AND WATER ENTITLEMENT OVER TIME
MORTON VALE PIPELINE BENEFICIARIES.

IN 1994/95 THE MORTON VALE PIPELINE BENEFICIARIES ENTERED INTO AGREEMENTS WITH THE THEN PRIMARY INDUSTRIES CORPORATION AGREEING TO CONTRIBUTE TO THE CAPITAL COSTS OF THE DISTRIBUTION NETWORK OF WATER FROM LAKE CLARENDON IN EXCHANGE FOR MINIMUM NOMINAL ALLOCATIONS AND SUPPLY RELIABILITY ON CERTAIN TERMS AND CONDITIONS. AFTER THE FIRST YEAR OF SUPPLY THE SCHEME OFFERS NO GUARANTEE OF SUPPLY OF SOME 2500 MEGALITRES CARRYOVER AFTER MAJOR FLOOD RAIN RECEIVED FROM MAY 1996 ONWARDS.

PRIOR TO SIGNING OF THE CONTRACTS, WRITTEN AND PARTICULARLY ORAL REPRESENTATIONS WERE MADE TO THE BENEFICIARIES (AND TO OTHER FARMERS WHO LATER DECLINED THE SCHEME OFFER) BY THE DEPARTMENT IN THE GOSS GOVERNMENTS' PERIOD OF OFFICE. THOSE REPRESENTATIONS ESTABLISHED THE MANNER IN WHICH THE WATER IN THE LAKE WOULD BE MANAGED, RELIABILITY OF SUPPLY BASED ON HISTORICAL FLOW RATES 1916-1979, ANNUAL YIELD OF DAM, WATER ALLOCATION PLANNING, ENVIRONMENTAL MANAGEMENT PLAN, WATER ALLOCATIONS BENCHMARKED TO ENSURE THAT IRRIGATION LAND IN THE MORTON VALE PIPELINE AREA IS ECOLOGICALLY SUSTAINABLE AND CONSISTENT WITH BEST LAND MANAGEMENT PRACTICES.

OUR ORIGINAL POSITION WAS THAT THE LAST 13000 MEGALITRES IN THE DAM WAS TO BE SET ASIDE FOR THAT YEARS CURRENT ALLOCATION AND SUBSEQUENT CARRYOVER AS MOST BENEFICIARIES HAVE LITTLE OR NO OTHER RELIABLE WATER SOURCE. THE BALANCE ABOVE THAT CAPPED 13000ML. WOULD BE APPORTIONED 3/8 TH. FOR CREEK RECHARGE AND 5/8 TH. PIPELINE. WITH A HIGH RELIABILITY IN SUSTAINING FULL ALLOCATION IN MOST WATER YEARS. THE ESTIMATED ANNUAL YIELD OF THE DAM WAS 8000 MEGALITRES AND PIPELINE NOMINAL ALLOCATION WAS 5000ML.

SINCE WE AGREED TO THE SCHEME WE HAVE HAD THE DEPARTMENT THROUGH MANY OF IT'S PROCESSES REDUCE RELIABILITY IN SUPPLY OVER TIME AND PROPERTY NOMINAL ALLOCATIONS.

THE DAM WAS 95% FULL IN 1996, WITH ATKINSONS AND BILL GUNN DAMS FILLED AND TOPPED UP OVER TIME FROM FURTHER RAINS, WEIRS FILLED MANY TIMES FOR RIPARIAN IRRIGATOR'S ACCESS AND AQUIFER RECHARGE. YET THE DEPARTMENT HAS

29/7/1998 P2

CONTINUED TO EMPTY LAKE CLARENDON TO SUCH AN POINT THAT WITHIN THE FIRST YEAR OF THE PIPELINE SOME BENEFICIARIES COULDN'T SOURCE WATER FROM THE PIPELINE OUTLET. THIS WATER YEAR 1998/99 "POTENTIAL ALLOCATION IS 55% (2500ML.) OF NOMINAL ALLOCATION WITH NO GUARANTEED SUPPLY WHATSOEVER. WHILE THE MAJORITY OF IRRIGATORS IN THE CENTRAL LOCKYER PROCLAIMED AREA HAVE ONLY RECENTLY AFTER SUCKING THE CREEKS' DRY HAVE TURNED TO THEIR UNDERGROUND WATER WITH NO RESTRICTIONS .THE PREVIOUS COALITION GOVERNMENT HAS PERMITTED THIS GROSS EROSION IN RELIABILITY OF THE MORTON VALE PIPELINE. THIS POSITION IS TOTALLY UNACCEPTABLE TO US .

THE DEPARTMENT HAS DECEPTIVELY DELAYED ISSUING NOMINAL WATER ALLOCATIONS WHICH WERE STICED UP PRIOR TO SIGNING OF THE CONTRACT AND AT NO TIME WHERE WE INFORMED THAT ALLOCATIONS HAD TO BE TESTED IN THE LAND COURT. NOW WE ARE BEING FORCED TO WAIT UNTIL THE WHOLE CENTRAL LOCKYER WORK THROUGH THEIR ALLOCATION WHICH COULD SEE NO ALLOCATIONS CONFIRMED EARLIEST OCTOBER 1999 OR MOST PROBABLY INTO THE NEXT MILLENNIUM. WE WANT CONFORMATION OF THE ORIGINAL ALLOCATIONS THAT WAS PART OF OUR CONTRACTURAL ARRANGEMENTS WITHOUT LAND COURT.

THE GOVERNMENT ON COMMISSIONING LAKE CLARENDON AND THE PIPELINE GAVE \$40000 DOLLARS FOR BEAUTIFICATION OF DAM AMENITY AREA FOR LOCAL COUNCIL TO DO NECESSARY WORKS, NOTHING HAS BEEN DONE.

WE HAVE HAD ENOUGH AND SEEK URGENTLY A DEPUTATION WITH YOURSELF AND ALAN MURRAY WHO WAS INVOLVED FROM THE BEGINING IN THE GOSS GOVERNMENTS' PERIOD OF OFFICE.

YOURS' SINCERELY,

ASHLEY CLARK
(SPOKEPERSON)

[Redacted signature area]



QUEENSLAND GOVERNMENT

P1

Hon. Rod Welford MLA

**Minister for Environment and Heritage and
Minister for Natural Resources**

21 SEP 1998

Lake Clarendon Morton Vale Pipeline Beneficiaries
c/ Mr Ashley Clark
Kentville
MS 546
FOREST HILL QLD 4342

Dear Mr Clark

Thank you for your letter of 29 July 1998 concerning water allocation to landholders supplied by the Morton Vale Scheme.

As you are aware, Lake Clarendon was constructed by the Queensland Government to:

- provide groundwater recharge release flows into Lockyer Creek;
- provide pipeline water supply to Morton Vale farmers; and
- provide releases for riparian irrigation along Lockyer Creek.

(1) Water is released from Lake Clarendon according to release rules endorsed by the Annual General meeting of the Central Lockyer Water Advisory Committee in late 1995. It was agreed at that meeting that these rules would be in place for an initial period of two years until the output from additional hydrological analysis was complete. This analysis shows that while the Lockyer Creek landholders share of total releases is greater than Morton Vale landholders, the current rules afford Morton Vale landholders a higher reliability of supply. These results were discussed with all landholders at the Annual General meeting in November 1997.

As you recognise, there are many issues associated with the management rules for this area, and it became clear to my Department of Natural Resources that there was a need to resolve many of the issues together. As you know, broader community input into these release rules has been sought and submissions closed on 30 July 1998. A Community Reference Panel has been formed to:

- (2)
- develop scenarios associated with the hydrological studies;
 - develop a basic concept for surface water and groundwater allocations;
 - develop an overarching management approach including release strategies for Lake Clarendon and Lake Dyer;
 - evaluate the hydrological studies and develop a preferred position for the Central Lockyer Water Advisory Committee; and
 - to facilitate generally wider community input.

PO Box 456
Brisbane Albert Street Qld 4002
Australia

13th Floor, Mineral House
Cnr Margaret & George Streets
Brisbane Qld 4000

Telephone (07) 3896 3688
Facsimile (07) 3210 6214

Formation of the Panel was widely publicised and supported. I believe that it is important for the issues to be settled in a consultative fashion involving all relevant stakeholders.

With respect to the Water Agreements signed with Morton Vale landholders, if you review those documents, you will note that they require landholders to apply for Waterworks Licences. Appeal to the Land Court is available under the waterworks licensing provisions of the *Water Resources Act*. Whilst the licensing process is underway, the nature of the objections is such that results of new hydrological studies are essential to providing satisfactory responses. Additionally, the Community Reference Panel findings are not yet available and the release rules are critical to the licensing debate. Thus, I do not share your view that my Department has deceptively delayed issuing licences to Morton Vale landholders.

Regarding the previous Government's undertaking to improve the Dam amenity, I advise that my Department's Ipswich office is progressing the survey and gazettal of the land in question. Once completed, the balance of the \$40,000 will be handed to the Laidley Shire Council.

I trust this information clarifies the situation. Should you have enquiries before Mr Murray contacts you please contact Mr Don Cock of my Department of Natural Resources on telephone (07) 38963233.

Yours sincerely



Rod Welford MLA
Minister for Environment and Heritage
and Minister for Natural Resources

SCHEDULE 2 (Cont.)

S2.2 Details of Other Existing Water Supply Responsibilities

3,507 ML of medium priority interim water allocation (surface water)
3,115 ML of risk-A & risk-B priority interim water allocation (surface water)
9,340 ML of medium priority interim water allocation (underground water)
15,962 ML Total

Existing entitlement holders supplied from the Morton Vale Water Supply System

The Licensee has a responsibility to supply 3,507 ML of medium priority water (surface water) to existing entitlement holders who are supplied from the Morton Vale Water Supply System. These entitlement holders have existing water supply agreements with the Licensee. It is a condition of each water supply agreement that the entitlement holder applies for a Waterworks Licence under the *Water Resources Act 1989* which will authorise the diversion of supply through each metered offtake from the Morton Vale Pipeline.

Existing entitlement holders who have area-based surface water licences under the *Water Resources Act 1989* in the regulated section of the Water Supply Scheme.

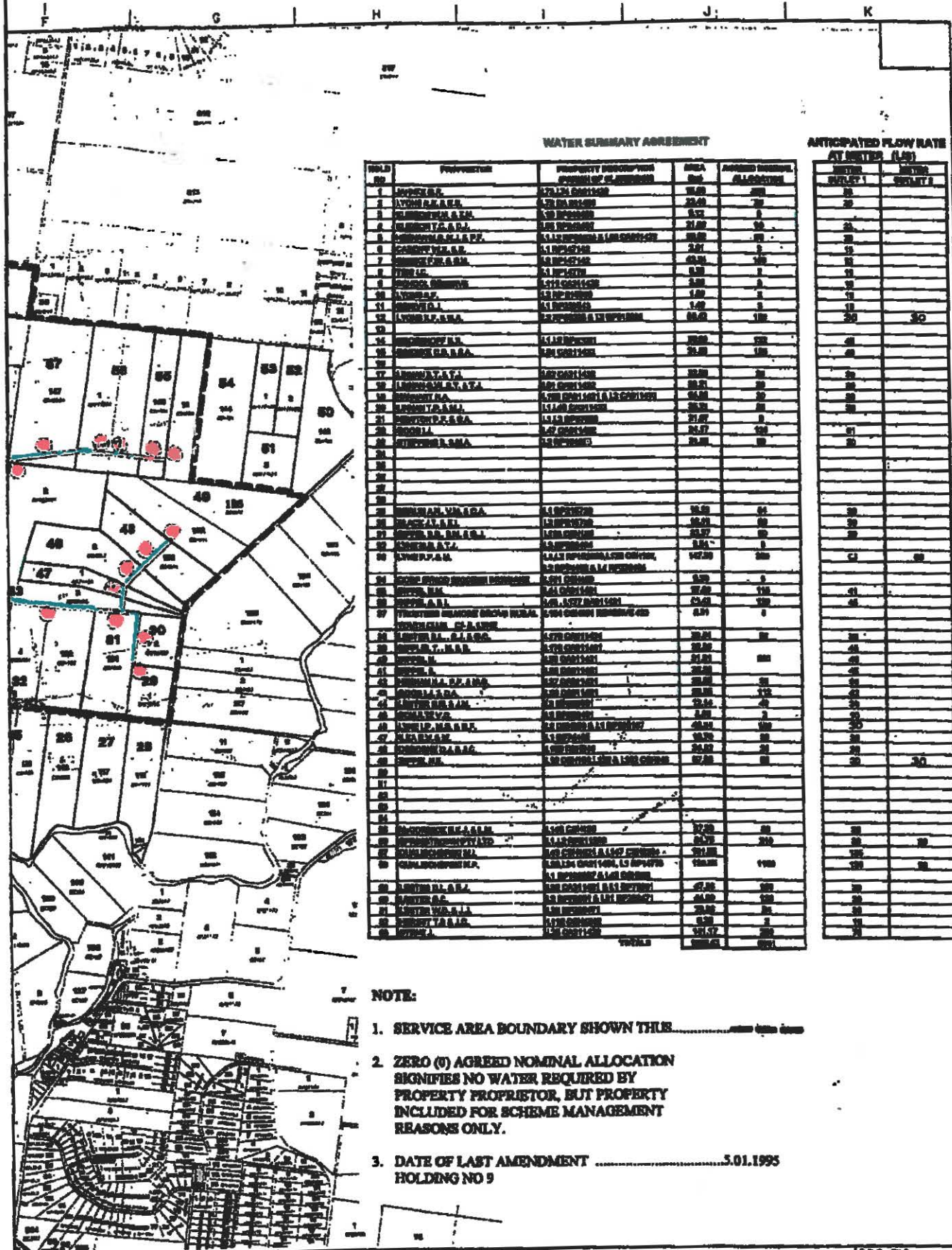
The Licensee has a responsibility to supply 3,115 ML of Risk-A & Risk-B priority water (surface water) to existing entitlement holders with area based surface water licences issued under the *Water Resources Act 1989*. Risk-A Priority Allocation will attach to existing unrestricted area-based surface water licences from the regulated sections of the scheme. Risk-B Priority Allocation will attach to existing restricted area-based licences from the regulated sections of the scheme. The volumes of Risk-A and Risk-B priority water and the spatial distribution of this water will be determined on completion of the Central Lockyer Allocation Project. Distribution of the water will depend on the factors used for converting authorised areas to volumetric entitlements, among other things. The Risk-A and Risk-B priority allocations determined by the conversion process in addition to any Risk-A priority interim water allocation listed in S2.1 will not exceed 3,510 ML which is the currently adopted allocatable surface water supply available from the regulated section of the scheme (excluding the commitment for the Morton Vale water supply system). (See S2.6 General Conditions 3.)

Depending on the outcome of the Central Lockyer Allocation Project, both Risk-A and Risk-B priority allocation may be treated the same in terms of supply priority.

Existing entitlement holders who have water licences for underground water under the *Water Resources Act 1989* in the benefited underground water areas of the Water Supply Scheme.

The Licensee has a responsibility to supply 9,335 ML of medium priority water (underground water) to existing entitlement holders with bore licences issued under the *Water Resources Act 1989* for bores within the benefited underground water areas of the Scheme.

Existing underground water licences in the benefited area generally do not specify either authorised areas or volumetric entitlements. The underground water entitlements, which will attach to existing underground water licences, are currently being determined and will be



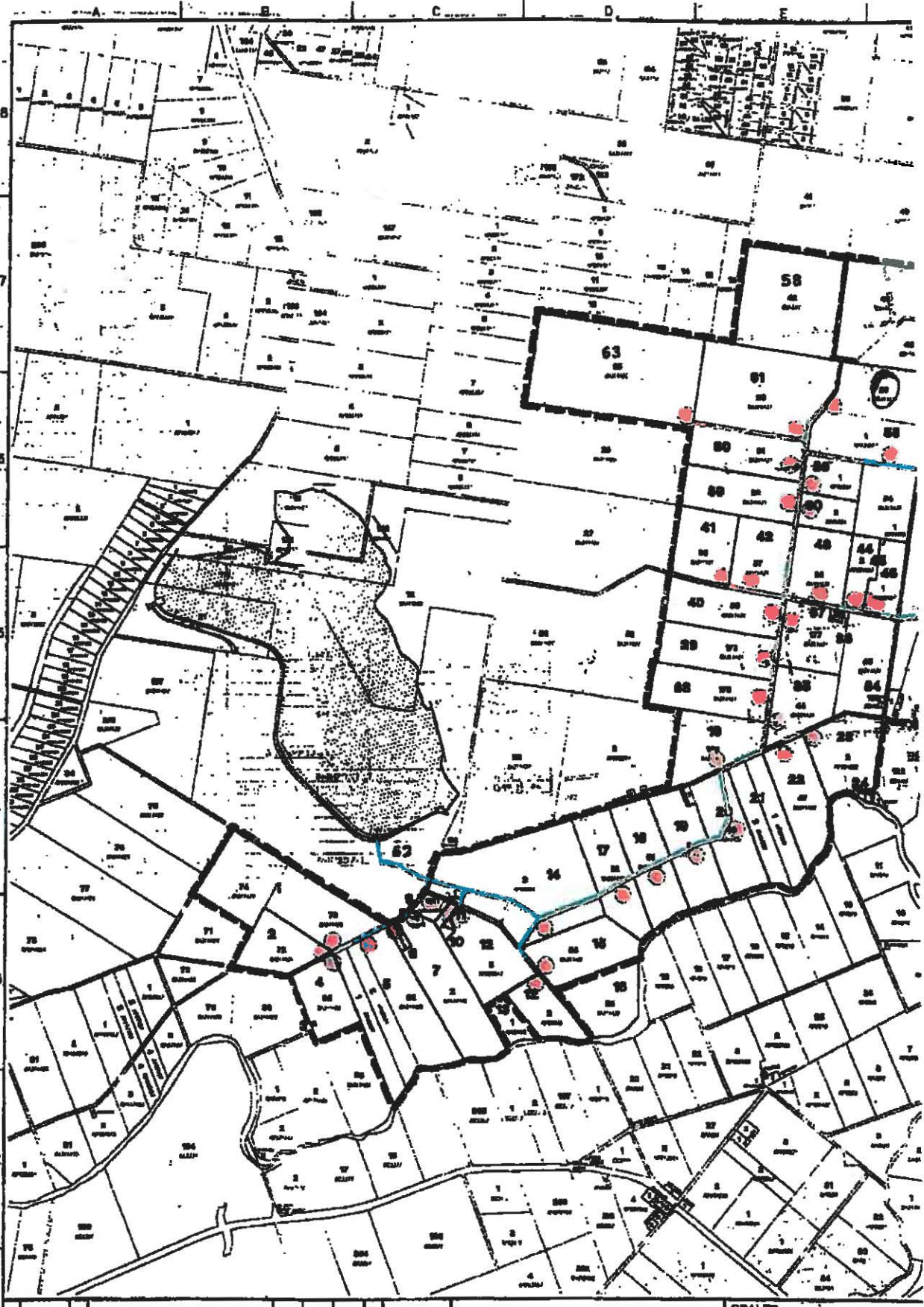
WATER SUMMARY AGREEMENT

ANTICIPATED FLOW RATE AT SITES (L/S)

HOLD NO	PROPRIETOR	PROPERTY DESCRIPTION (PROPERTY OF)	AREA SQM	AGREED NOMINAL ALLOCATION	ANTICIPATED FLOW RATE AT SITES (L/S)	
					SITE 1	SITE 2
1	MOORE B.A.	27/125 GARDENS	25.00	200		
2	IVINS B.A.B.	4/25 100 GARDENS	25.00	200		
3	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
4	WILSON T.A.B.	4/25 100 GARDENS	25.00	200		
5	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
6	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
7	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
8	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
9	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
10	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
11	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
12	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
13	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
14	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
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16	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
17	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
18	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
19	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
20	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
21	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
22	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
23	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
24	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
25	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
26	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
27	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
28	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
29	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
30	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
31	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
32	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
33	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
34	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
35	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
36	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
37	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
38	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
39	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
40	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
41	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
42	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
43	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
44	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
45	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
46	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
47	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
48	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
49	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
50	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
51	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
52	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
53	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
54	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
55	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
56	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
57	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
58	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
59	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
60	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
61	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
62	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
63	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
64	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
65	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
66	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
67	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
68	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
69	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
70	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
71	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
72	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
73	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
74	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
75	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
76	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
77	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
78	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
79	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
80	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
81	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
82	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
83	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
84	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
85	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
86	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
87	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
88	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
89	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
90	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
91	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
92	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
93	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
94	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
95	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
96	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
97	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
98	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
99	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		
100	WILSON B.A.B.	4/25 100 GARDENS	25.00	200		

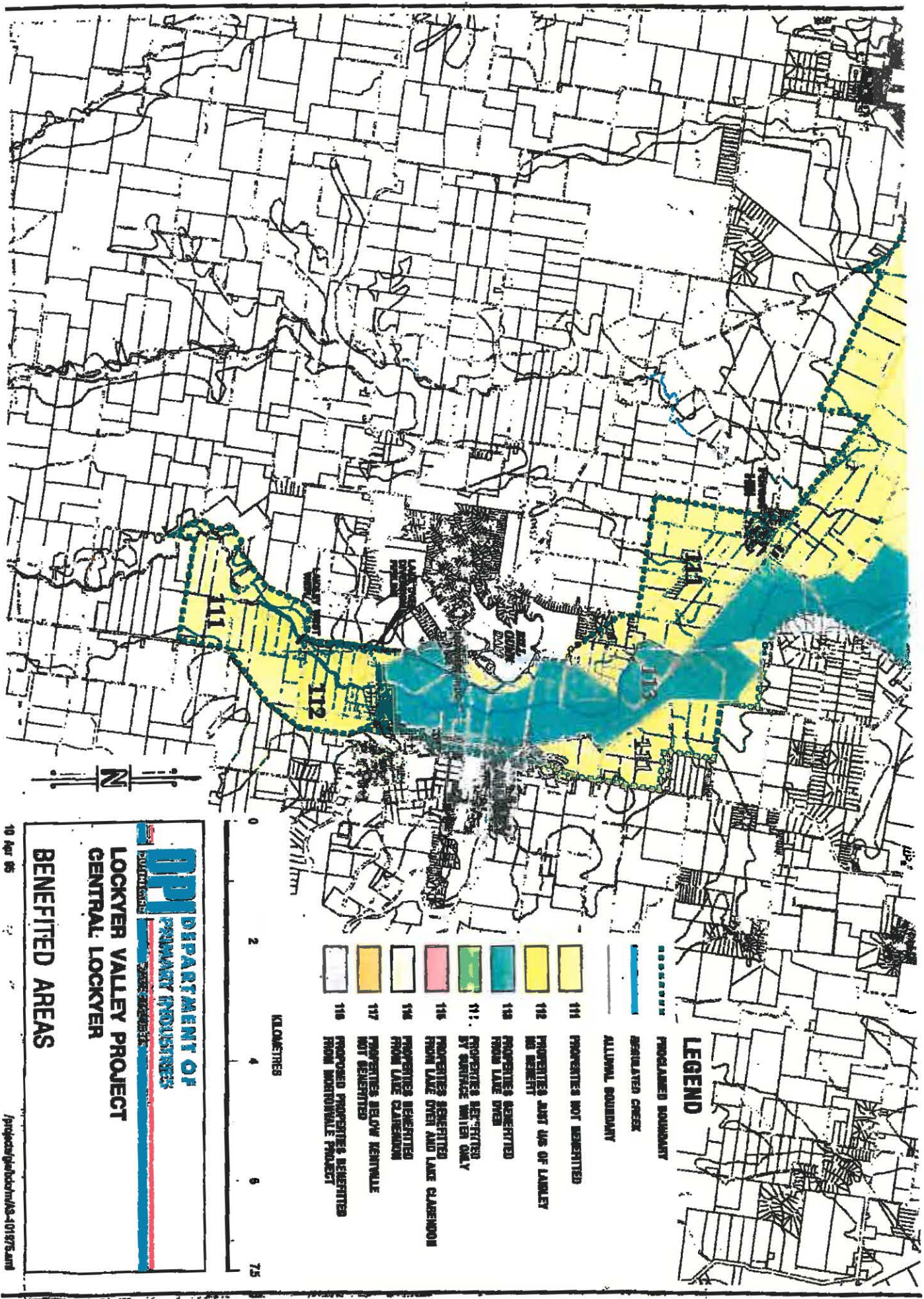
- NOTE:**
- SERVICE AREA BOUNDARY SHOWN THIS
 - ZERO (0) AGREED NOMINAL ALLOCATION SIGNIFIES NO WATER REQUIRED BY PROPERTY PROPRIETOR, BUT PROPERTY INCLUDED FOR SCHEME MANAGEMENT REASONS ONLY.
 - DATE OF LAST AMENDMENT5.01.1995
HOLDING NO 9

1:500 2000 4000 DRAWING NO. 1500 2000 4000 1500 2000 4000	DRAFTED J.E.R. C.O. R.C. S.O.V. G.P.C.	RECOMMENDED APPROVED	DEPARTMENT OF PUBLIC WORKS WATER SUPPLY	LAKELAND PROJECT MORTON VALE WATER SUPPLY SCHEME	S.D.O. FILE NUMBER DRAWING NUMBER BR 608 A3
	SERVICE AREA			DATE:	



REVISIONS		REMARKS	DATE	BY	SCALE





LEGEND

- PROCLAIMED BOUNDARY
- REGULATED CREEK
- ALLIANCE BOUNDARY
- 111 PROPERTIES NOT BENEFITED
- 112 PROPERTIES ASHUT US OF LABELY NO BENEFIT
- 113 PROPERTIES BENEFITED FROM LAKE OVEN
- 114 PROPERTIES BENEFITED BY SURFACE WATER ONLY
- 115 PROPERTIES BENEFITED FROM LAKE OVEN AND LAKE CLARENDON
- 116 PROPERTIES BENEFITED FROM LAKE CLARENDON
- 117 PROPERTIES BELOW KENTVILLE NOT BENEFITED
- 118 PROPOSED PROPERTIES BENEFITED FROM MCKINNALE PROJECT



DEPARTMENT OF PRIMARY INDUSTRIES
LOCKYER VALLEY PROJECT
CENTRAL LOCKYER
BENEFITED AREAS

10 Apr 86
 /projsec/gul/bch/m/43-41/175.am

