

Welcome to our Macalister Irrigation District update, a newsletter for Southern Rural Water's water supply customers. We hope you find the information useful.

2015-16 opening allocation

On 1 July, Southern Rural Water was able to announce an opening allocation of 80% high reliability water shares (HRWS) for our Macalister Irrigation customers and the Macalister, Thomson river and Rainbow Creek diverters. At the last allocation review on the 28 July this was lifted to 100% HRWS. the next allocation review will be on the 15 December 2015.

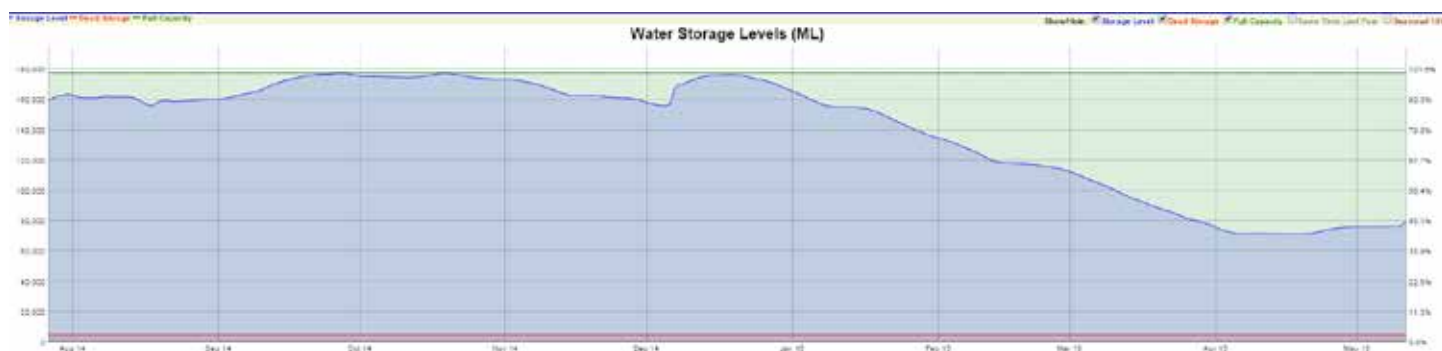
Recap of last season

The 2014-15 irrigation season opened with an allocation on 1 July of 85% high reliability water shares (HRWS). Changes made this season to the Thomson Drought Reserve rules saw the entire Thomeson Drought Reserve volume included in the allocation model. This rule change, along with rainfall in late June and July, allowed the seasonal allocation to be increased to 100% of HRWS on 15 July.

Continued steady inflows throughout July saw Lake Glenmaggie close to capacity, with releases starting on 29 July. We managed the Glenmaggie volume with the aim to have the reservoir at full capacity between 15 September and 1 October. On 27 September Glenmaggie volume in storage reached 99.9%.

Spill entitlement was available for customers until 15 December 2014, with 44,090ML delivered. Significant rain in early December resulted in reduced customer demand. This left district customers in a good position leading into Christmas with 100% of their water available for the rest of the season.

With below average inflows throughout summer, the allocation remained at 100% HRWS. In early April we received rain in the catchment, boosting inflows into Glenmaggie. These inflows paid back the water in the Thomson Drought Reserve, and continued steady inflows allowed us to allocate 10% low reliability water shares (LRWS). A further 10% LRWS was allocated, bringing our final allocation for the season to 100% HRWS and 20% LRWS on 22 April 2015.



MID 2030 Project update

Southern-Cowwarr balancing storage design

The Southern-Cowwarr balancing storage will act as a buffer between the storages at Glenmaggie and Cowwarr Weir, and downstream demand. It will benefit about 40% of our customers by reducing order lead times, providing more consistent flow rates and enabling further automation.

We will also have the capacity to increase harvesting from the Thomson River using our existing harvest rights – we currently have limited capacity to harvest and nowhere to store this water.

The design has been completed for the storage and SRW is currently planning to start works later this year.

Rationalisation Project

The Rationalisation Project aims to reduce the number of outlets onto farms, and also to improve service to farms by using automated outlets.

In most cases, it involves replacing and reducing the number of Dethridge wheel outlets with new, automated outlets.

The new outlets provide much better service levels and take away the need for you to open and close the outlet. In some cases, rationalisation involves removing unnecessary parts of the supply system. Reducing overall numbers of outlets and channels has a direct impact on keeping water prices to a minimum for all MID customers, as we have fewer assets to maintain. The project started in 2012 and is progressing well, with a total of 48 outlets processed (19 new modernised outlets and 29 abandonments).

Eastern, Nambrok-Denison and Heyfield Regulator Replacement Program

This program involves replacing manual regulators with automated flume gates across three supply areas. In the Eastern and Nambrok-Denison areas, this will extend previous automation, and will see most of the major channels automated. The winter 2015 works program has started for the Eastern and Nambrok-Denison systems. The program will see 64 regulators upgraded and over 66 km of channel automated.

In modernising the system, we have opportunities to modernise at a lower cost through system simplification and rationalisation. In the 2015 program we will have abandoned 64 regulators, along with 16 km of channel and 23 road crossing and bridges.

Where to from here

In three years' time, about 70% of the MID will be modernised to some extent. Southern Rural Water will continue to work with advocacy groups to seek funding for Phase 1B of the MID2030 project.

2014-15 season totals

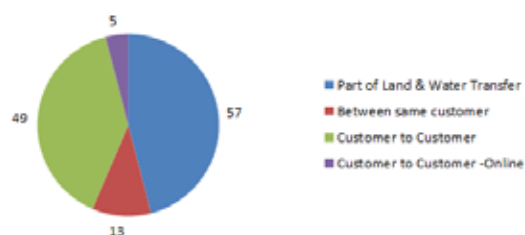
The Thomson Drought Reserve opened the 2014-15 season with a volume of 33,818ML with inflows totalling 9,647ML. Usage for the season totalled 5,147ML, leaving a remaining volume of 38,550ML plus inflows for the 2015-16 season.

Irrigation deliveries to customers this season totalled 135,489ML, which is below our budgeted deliveries of 147,454ML, but slightly above the 5 year average of 129,046ML. This season's lower customer demand can be contributed to cooler seasonal temperatures in early spring, a mild summer along with adequate rainfall in early autumn to sustain pasture water requirements.

With spill available until 15 December and unexpected rainfall, allocation trades were lower this season, with 8,823.3ML traded. This volume is below an average year of 12,000-13,000ML.

This year we also monitored the reasons allocation was traded in the district, as it is quite often the case allocation is traded as part of a land transfer or between the one customer's ABAs. Those trades this year made up 5,830.2ML of the 8823.3ML overall. This supports the theory that it was a very quiet year for allocation sales in general. Customers are also starting to trade allocation online now - for more information on this new service, please contact the office on 1300 139 510.

**Number of Allocation Trade Applications
2014-15 Season**



Above average rainfall in April slowed customer demand at the end of the season, so Lake Glenmaggie closed the season with a volume of 83,727ML or 47.1% on 15 May 2015, compared to 66,543ML or 37.5% on 15 May 2014.

We placed a strong focus on reducing district outfalls this year, with our goal to improve outfalls by 10% on the previous year. Our seasonal target of keeping outfalls below 21,000ML was surpassed with a season ending total of 19,926ML, 17.1% lower than last year.



Maintenance philosophy

You will have noticed that we have empty channels across the MID. We do this each year, to:

- expose submerged weeds, which halts growth and causes the plant to die
- expose carp, assisting in reducing numbers and uncovering hot spots
- identify other problems within the channels such as silt build up areas that are not exposed during summer
- carry out our winter maintenance tasks: a number of channels will be cleaned this winter of silt and weeds that have built up over time.

Channels will be refilled during the new irrigation season, as demand dictates. As always, we recommend that all landowners provide alternative drinking supplies for their stock, such as troughs or dams.

Winter works

Our maintenance team is hard at work on our winter projects.

This year's Carp Program on the Main Sale channel has started from the railway line north of Sale through to the Princes Highway for approximately 1 km. Materials are being sourced from a recycle dam dug by SRW. Beaching will be placed around corners and at the sides of structures. A new access track along the top of the bank will be built, giving access to flume gates and also for spraying and other maintenance and operation activities.

Some siphons and road crossing have been repaired this winter that have had significant leaks during the season, some erosion works on a channel in the Cobains area and coring of channel bank at Newry. Some meters in the Boisdale area have been repaired, as this cannot be done during the irrigation season.

We continue to work on the Main Southern removing silt, this year. The main focus has been near Heyfield removing an estimated 15,000 cubic metres of silt; we have also had some other channels cleaned by SRW staff.

Our critical assets, mainly earthen sections of our main carriers susceptible to failure during the irrigation season (due to a variety of reasons), were closely inspected during June.

During these de-watered inspections, we look for signs of cracking, slumping, animal activity (such as fox or wombat burrowing), blockages, etc that have the potential to interrupt supply during the irrigation season. Some minor defects were detected and repaired. We will inspect again during the filling stages in August.



Water auctions and sales

On 25 February 2015, SRW held its first auction of water shares made available through savings from our "Leading Works & Phase 1A" channel automation programs in the MID.

The total water savings from these projects is 2,772ML. This year's offering totalled 523.4ML of HRWS and 261.7ML of LRWS. All the shares this year were sold, with paired HRWS and LRWS selling for an average price of \$1,835.86 and HRWS on their own, selling for an average price of \$1,842.99 per ML. All HRWS and LRWS sold at the auction came with seasonal allocation. Proceeds from the sale of these shares have been used in other water savings projects as part of the MID 2030 program.

This year SRW allocated 200ML of saved water to be placed on the market at a "shelf price". This allows customers who either are uncomfortable in participating in an auction, or did not have access to funds at the time of auction, to gain access to a suitable volume of water shares. The water is offered for sale at the highest price from the most recent auction. The 200ML equates to 174.4ML HRWS and 87.2ML of LRWS once converted. We offered 87.2ML of paired HRWS and LRWS and 87.3ML of HRWS only for sale at \$1,900.00 per ML; currently 50ML of paired HRWS and LRWS has been sold.

Keep up-to-date with the weekly snapshot

We have trialled weekly seasonal updates this season as a means of keeping you up to date with storage levels, inflows, allocation increases and the like.

This information is available on the allocations page of our website and will be updated every Monday. For next season, it will have a new name called the "MIA Weekly Snapshot". Jump online and check it out at www.srw.com.au/allocation

Tariffs and billing

Usage charges due	1st Instalment due
31 August 2015	20 November 2015

Usage charges

Usage charges will be billed by 1 August 2015, with the final payment due on 30 August 2015.

Annual charges

Annual charges will be billed in October 2015. You will have the option of paying by instalments, with four payments due in November, January, March and May.

If you choose to pay in full, payment is due in December 2015.

For more information on our fees, please visit our website www.srw.com.au or contact one of our customer service staff for a copy of our Tariffs and Billing fact sheet.

MID irrigation efficiency incentive program

It has been a bumper year for DEDJTR's MID irrigation incentive program, with more than 50 irrigators taking advantage of incentives to upgrade their farm systems.

This year 15 farmers took advantage of the new 'best practice surface irrigation' incentive to upgrade their flood irrigation to best practice and install automation, taking advantage of opportunities from their new modernised delivery outlet. As with previous years, the program also offered farm planning, reuse systems and flood to spray conversions.

The incentive program will run again in 2015-16. Now is a great time to think about potential projects for your farm.

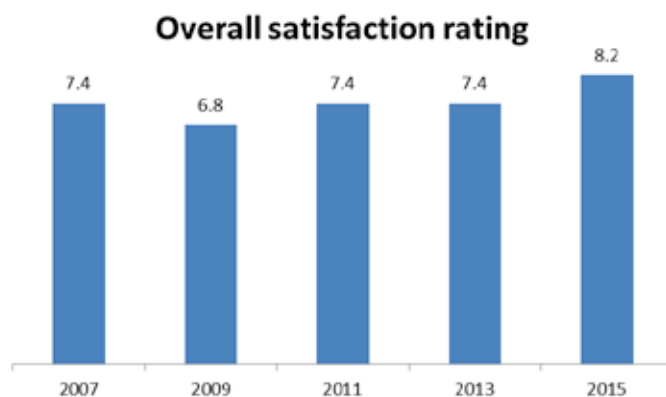
For more information contact Sarah Killury, DEDJTR Maffra on 03 5147 0845.

Irrigation customer survey results

We conduct a survey of MID customers every second year. We ask a number of questions to ascertain what customers think of our various services and also how we can improve the customer experience. This year we interviewed 22% of our customers and our overall satisfaction result increased from 7.4/10 to 8.2/10. This is a great step up for us and gives us encouragement that the improvements we are making and our focus areas for improvement are having the right results among customers – which is very important as we exist to serve you and provide the best possible service at the lowest possible price.

Our survey allows for customers to tell us where we can improve, some suggested our channel systems require more maintenance to improve flows, weed problems, small customer issues, technical items etc. These comments will form the basis of an action plan to address what you see as important.

Our customer satisfaction level over time:



For more information or to provide feedback contact us...

We will continue to provide you with the best information we can on the seasonal outlook and on how we are managing the available water. As the season progresses, we will provide regular updates which may help you to plan your farming activities.

We are always looking for ways to improve our customer service. If you would like more information on any of the above topics, or you have any concerns, please contact one of our staff listed below.

Don't drink the water

ANY water from sources managed or licensed by Southern Rural Water, including irrigation storages, channels, rivers and creeks, groundwater and farm dams, is untreated. It should not be considered safe for human consumption without proper treatment.

Contact us



Managing Water. Serving Communities.

Phone 1300 139 510
Email srw@srw.com.au
Website www.srw.com.au

Operations Supervisor
Gavin Prior
5139 3119

Maintenance Supervisor
Peter Miller
5139 3248

