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) where signed. The whole process confirmed after project was funded and applicants locked in to annual nominal allocations which where 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 letter11/3/1997 supply of water). DNR had commenced “clawing” back Agreed nominal allocations before the pipeline construction phase was completed. Eg, Qualy/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 Qualy 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.
Dear Sir

RE: PROBATION INTEREST IN
PROPERTIES AT MORTON VALE

I refer to your correspondence dated 26 November 1998 wherein you requested information regarding the availability of any individual water allocations for 1 ton, namely-

Lot 49, 56 Lennard Rd
Lot 1, 15645/6027
Parish of Clarence

You will be advised regarding access to separate outlets from the pipelines which constitute the Morton Vale Water Supply Scheme for each of these lots.

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

- Morton Vale Water Supply Scheme
- the original Quallschekki holdings, the 3 lots being the subject of your correspondence and the existing empty water outlets points.

It may also be of interest to note that the official opening of the Morton Vale Water Supply Scheme is scheduled for early 1999.

Also, please find enclosed a copy of the water agreement covering the properties and signed by Mr N.P. Quallschekki and this Department. The document may well be relevant to your clients' interests.
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 20 on CSH11431 were intended to serve the 5 lots of:

- Lot 20 on CSH11431,
- Lot 43 on CSH11800,
- Lot 43 on CSH11621.

Consequently, most of the hydraulic design work was carried out and other work was completed. Legal advice is required for undertaking any work on CSH11431 and the questions relating to the project.

In theory, Lot 43 on CSH11621 would be suitable for a water allocation of 2700 m³ subject to licence conditions, but in practice, the proposed measurement would be required to be amended. Any capital works required to be provided to gain an outlet point to the property would be subject to the Department's policy, namely that all such works associated with an extension or modification of the outlet point would be borne by the applicant.

Under Existing Waterworks Licences

You are advised that Licence No. 53967 refers to a proposed 50mm centrifugal pump on Lively Creek which is licensed to be located on an elevation on Lot 43 on CSH11432, Parish of Clashendon to supply the following:

DEPARTMENT OF NATURAL RESOURCES
SOUTHERN REGION
The licence is for irrigation, stockwatering and domestic purposes. An allocation of 150 licences represents the area that may be irrigated under the authority of the licence. The pump has never been installed.

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

If this process is expected to be complete by 1st July 1987 and no guarantee can be given with regard to the area or the allocation that will result from the NWC.

Furthermore, I draw your attention to Section 19 of the Water Resources Act 1980

We confirm that the supply will be held on behalf of the owners of the licence. In the event that the licence will cease to exist and there is no guarantee that a licence will be available from Lockyer Creek to the new owners then apply.

Therefore it is intended to maintain licence No. 53962 it will be necessary for the existing licensee to apply to extend the licence to supply only those lots that will remain in common ownership. This must be done before any sale occurs.

Yours faithfully,

[Signature]

Area Manager
State Water Projects, Moreton

Department of Natural Resources
Southeast Region
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:

<table>
<thead>
<tr>
<th>Central Lockyer</th>
<th>Current Tariff</th>
<th>Proposed Tariffs</th>
<th>Cost Reflective Tariff</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2012-13</td>
<td>2013-14</td>
<td>2014-15</td>
</tr>
<tr>
<td>Fixed</td>
<td>$/ML</td>
<td>$/ML</td>
<td>$/ML</td>
</tr>
<tr>
<td>Variable</td>
<td>32.91</td>
<td>10.03</td>
<td>10.28</td>
</tr>
<tr>
<td></td>
<td>0.00</td>
<td>0.00</td>
<td>23.65</td>
</tr>
<tr>
<td></td>
<td>23.65</td>
<td>26.39</td>
<td>52.52</td>
</tr>
<tr>
<td></td>
<td>26.39</td>
<td>52.52</td>
<td>10.80</td>
</tr>
<tr>
<td>Morton Vale</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Fixed</td>
<td>0.00</td>
<td>27.43</td>
<td>30.17</td>
</tr>
<tr>
<td>Total Variable</td>
<td>37.68</td>
<td>13.56</td>
<td>13.89</td>
</tr>
</tbody>
</table>

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.

Recommended
- 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.

Recommended
- 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'. It 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 re 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: O.F.E. OLD.
ATTENTION: IAN JOHNSON
FACSIMILE NO: 07-32364100
FROM: Ashley Clark - MVLC PUG inc.
NO. OF PAGES:
SUBJECT: QCA - MV Pipeline Allocations

COMMENT:

1. 1995 5051 ml.
2. 31/12/93 Min. PI. CASEY - Project inclusion for '94 budget.
4. (Fig) CHANGE OF OWNERSHIP Property
5. 6-12 Attachment E.M.P. Morton Vale
6. 15 Dec. 1996 - DNR FAX - Proposed Allocation Newfoundland
7. 14/12/98 - Notification to Connect
8. 23 FAX - DNR to MV 23/1/97 - More Clarification, 1150 ml.
9. 24-25 Letter to Minister Waldorf - Scheme viability in doubt.
10. 26-27 From V
11. 28 - 1ROH - P35 New Allocation down to 3507 ml.

Nov 2000
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.
am 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
THIS AGREEMENT is made this ______________________ 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 50% Megalitres.

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.
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.
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 systems 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.
FACSIMILE TRANSMISSION

DATE: 23/7/97
TO: Gething. DNR
ATTENTION: Ashley Clarke
FACSIMILE NO: _______
FROM: ____________________________

TELEPHONE NO: (07) 3224 2904
Department of Natural Resources
Moreton District, Brisbane Office
Mineral House, 4th Floor, 41 George Street,
GPO Box 2692, Brisbane Q 4001
Telephones: (07) 3224 8697 Facsimile: 3224 2913

NO. OF PAGES (INCLUDING COVER): 9
ORIGINAL TO: YES/NO
FOLLOW IN MAIL: YES/NO

SUBJECT: Morten Vale Sales

COMMENT:
There is one other property affected apart from Supple,
yourself, Peter Gi's.
The added property is Smith
formerly Byres.

[Signature]

Department of Natural Resources
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 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.
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
Area of Unsuitable Soil: 1.2 hA
Balance Area: 26.5 hA

Measurement:
Allocation = 110 Ml

Area of Unsuitable Soil:

* Suggested future allocation

2. Sippel B
BDO/515/005 (14)
Lot 38 on CA311431

Total Lot Area: 26.231 hA
Area of Unsuitable Soil: 2.5 hA
Balance Area: 23.7 hA

Measurement:
Allocation = 104 Ml

Area of Unsuitable Soil:

* Suggested future allocation

3. Sippel M
BDO/515/005 (13)
Lot 39 on CA311431

Total Lot Area: 31.915 hA
Area of Unsuitable Soil: 7.1 hA
Balance Area: 24.8 hA

Measurement:
Allocation = 128 Ml

Area of Unsuitable Soil:

* Suggested future allocation
<table>
<thead>
<tr>
<th>Lot</th>
<th>Owner</th>
<th>Permit Number</th>
<th>Total Lot Area</th>
<th>Area of Unsuitable Soil</th>
<th>Balance Area</th>
<th>Allocation</th>
<th>Suggested future allocation</th>
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<tr>
<td>4.</td>
<td>Sippel T,M,B</td>
<td>BDO/515/005 (12)</td>
<td>32.365 haA</td>
<td>4.6 haA</td>
<td>27.8 haA</td>
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<td>Lot 178 on CA311431</td>
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<td>* Suggested future allocation</td>
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<td>5.</td>
<td>Clark DG</td>
<td>BDO/515/005 (40)</td>
<td>32.328 haA</td>
<td>7.2 haA</td>
<td>25.1 haA</td>
<td>105 Ml</td>
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<td>Lot 1 on RP211258</td>
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<td>* Suggested future allocation</td>
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<td>6.</td>
<td>Clark DG</td>
<td>BDO/515/005 (40)</td>
<td>32.421 haA</td>
<td>11.9 haA</td>
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<td>Lot 2 on RP211258</td>
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<td>* Suggested future allocation</td>
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\[ x \text{ Ml}/\text{ha} = \text{Total Lot Area} \times 4 \text{ Ml}/\text{ha} \]
7. English J (Ex: Qualischefski)
BDO/515/005 (??)
Lot 147 on CS#2204

| Total Lot Area: | 66.387 hA | Allocation = 260 Ml |
| Area of Unsuitable Soil: | 32.6 hA | x 4 Ml / hA = 135 Ml * |
| Balance Area: | 33.8 hA | * 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 | x 4 Ml / hA = 100 Ml * |
| Balance Area: | 24.1 hA | * 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 | x 4 Ml / hA = 85 Ml * |
| Balance Area: | 21.5 hA | * Suggested future allocation |
10. Predobon FR (Ex: Qualischefski)
BDO/515/005 (51)
Lot 1 on RP135087

Total Lot Area: 32.55 ha
Area of Unsuitable Soil: 21.5 ha
Balance Area: 11.1 ha

Allocation = 130 Ml

**** Suggested future allocation = 65 Ml

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

Total Lot Area: 64.957 ha
Area of Unsuitable Soil: 64.957 ha
Balance Area: Nil

Allocation = 260 Ml

**** Suggested future allocation = 100 Ml

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

Total Lot Area: 65.2 ha
Area of Unsuitable Soil: 65.2 ha
Balance Area: Nil

Allocation = 260 Ml

**** Suggested future allocation = 100 Ml
13. Smith E,ME, RB, SM  
BDO/515/005 (48)  
Lot 24 on RP888102

Total Lot Area: 18.07 ha  
Area of Unsuitable Soil: 15.5 ha

Balance Area: 2.6 ha

Allocation = 50 Ml  
**** Suggested future allocation 30 Ml

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

Total Lot Area: 16.4 ha  
Area of Unsuitable Soil: 7.0 ha

Balance Area: 9.4 ha  
\[ \times 4 \text{ Ml/ha} = 40 \text{ Ml} \]

\[ \text{** Suggested future allocation -} \]

(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

AREA MANAGER
STATE WATER PROJECTS
OUR REF: MU64
20/7/1998

HON. ROD WELFORD MLA
MINISTER DEPARTMENT OF NATURAL
RESOURCES,
QUEENSLAND
G.P.O. BOX 2892
BRISBANE 4001

DEAR SIR,

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

IN 1984/85 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 GOVERNMENT'S 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 CARRIERS AS MOST BENEFICIARIES HAVE LITTLE OR NO OTHER RELIABLE WATER SOURCE. THE BALANCE ABOVE THAT CAPPED 13000 M L. 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 5000 M.

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. MEIDS FILLED MANY TIMES FOR RIRIPARIAN IRRIGATOR'S ACCESS AND AQUIFER RECHARGE. YET THE DEPARTMENT HAS
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% (2500m) 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 creek’s 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 stiched 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 contractual arrangements
without land court.

The Government on commissioning Lake Clarendon and the Pipeline gave
$40,000 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 beginning in the Goss Governments’ period
of office.

Yours’ Sincerely,

[Signature]

ASHLEY CLARK
(spokesperson)
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.

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:

- 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.
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
Interim Resource Operations Licence (Central Lockyer Water Supply Scheme) November 2000

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 Licencee 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 Licencee. 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 off-take 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 Licencee 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 allowable 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 Licencee 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
**NOTE:**

1. **SERVICE AREA BOUNDARY SHOWN THEREBY**

2. **ZERO (0) AGREED NOMINAL ALLOCATION**
   
   **SIGNIFIES NO WATER REQUIRED BY**
   
   **PROPERTY PROPRIETOR, BUT PROPERTY**
   
   **INCLUDED FOR SCHEME MANAGEMENT**
   
   **REASONS ONLY.**

3. **DATE OF LAST AMENDMENT**
   
   **5.01.1995**

   **HOUSING NO 9**

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**WATER SUPPLY AGREEMENT**

<table>
<thead>
<tr>
<th>NO.</th>
<th>PROPRIETOR</th>
<th>PROPERTY DESCRIPTION</th>
<th>AREA</th>
<th>NOMINAL FLOW RATE</th>
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**ANTICIPATED FLOW RATE AT METER JPH**

- **Month:**
  - May
  - June
  - July
  - August
  - September
  - October
  - November
  - December

**Lake Clarendon Project**

**Horton Vale Water Supply Scheme**

**Service Area:**

**BR 909 A3**

---

**Scale:** 1:5000

**Note:** The map shows the service area boundaries and nominal flow rates for various properties. The拎zero nominal allocation sign}

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