



Department of
Primary Industries

Water Resources Commission

Mineral House, 41 George Street, GPO Box 2454, Brisbane, Qld 4001

Telephone (07) 224 2111, Facsimile (07) 221 9312, Telex 41761

Enquiries to 224 7313
Telephone
Your reference 91/
Our reference
Date 7 March 1991

Address all correspondence to:
The Commissioner of Water Resources

The Chairman
North Burdekin Water Board
PO Box 720
AYR QLD 4807

Dear Sir,

You will recall our discussions some time ago regarding arrangements for the taking of water by the Water Boards with the completion of the Burdekin Falls Dam. At that time a decision was taken by the Boards that their future operations would be based on regulated releases from the Dam.

Subsequent meetings of both Boards, separately and in combination, with the Commission's Regional Engineer, in Ayr have considered the details necessary for finalising an annual allocation which would satisfy the rights the Boards had to water before the Dam.

You would be well aware that Gazettals in 1966 and 1970 gave the Boards legal entitlement to about 140 000 megalitres per year, pumped from the natural flows in the Burdekin River when the opportunity arose. Despite that the Board have, as a result of additional areas planted to cane as a result of the 1981 expansion together with some improvement in pumping capacity, pumped volumes of up to 170 000 to 175 000 megalitres in three of the four years before releases from the Dam commenced during the critical situation which developed in 1987. Clearly these volumes were outside the previous approvals, but were overlooked because of circumstances. However, they did represent a situation outside the Boards entitlement.

It is clear that the Boards operations provide about 40% of the water needed in general, to grow the cane through aquifer recharge, although at that time, it was probably more like 50% including pumping directly for open water use.



Water
Resources

In our discussions in 1987 I did indicate to the meeting that there were a range of convincing arguments which suggested that the Boards existing entitlement to unregulated flow would be no more than 150 000 megalitres per year when converted to a comparable regulated supply. In fact, strong arguments could be mounted for even a lesser volume.

However, I am prepared to adopt something closer to the Boards actual use prior to releases from the Dam commencing, as a basis for deciding the Boards allocation from present regulated supply.

It is a fact that without the Dam, the Boards' capacity to pump much more on an opportunity basis without quite significant additional expenditure on pumping and distribution channel capacity, is very limited. Without the Dam, expansion of the sugar industry in the Burdekin Delta would have been substantially inhibited. As a result, the move to a regulated supply favours the Board considerably in limiting the need for future major capital expenditure to replace existing, or to install expanded, capacity.

I have also been prepared to recognise the Boards' situation by making separate allowances for urban supplies for Ayr and Home Hill and top up water for the tidal barrages.

In arriving at the proposal below, I have also considered the needs of Rita Island in line with the current proposal for it to become part of the North Burdekin Water Board Area and carry out works in the river and Anabranche. I have done this because I realise that without this concession, the proposal for the Island will collapse. If that proposal does not proceed the allowance made for that supply will have to be subtracted from the proposed allocation below.

Taking these factors into account, I propose to allocate to the Boards a combined annual allocation of 200 000 megalitres to apply from January 1991.

Of this allocation, 180 000 megalitres would not attract any charge for regulated supply. This component of the total allocation free of any charge has been determined as follows -

| | |
|--|------------|
| Pumping for irrigation and recharge by the Boards | 167 500 Ml |
| Urban supplies, Ayr and Home Hill | 2 500 Ml |
| Barrages | 8 000 Ml |
| Rita Island | 2 000 Ml |
| | ----- |
| | 180 000 Ml |

I understand the basis of these figures has been generally explained to the Manager of your Board.

I also understand that the charge discussed at the combined Boards' meeting for that component of the allocation (20 000 ML) in excess of the 180 000 ML was the regulated river charge as set from time to time by the Government. I confirm that this charge is appropriate for the Boards.

I also confirm that because that additional 20 000 megalitres will be committed for the Boards and secured in the storage, the charge will apply to that water whether it is used or not.

Releases to the Boards in excess of 200 000 megalitres per annum could be considered, if available. The charge related to those releases would be double the prevailing river charge in recognition of the Government's policy of requiring capital charges for all new or additional allocations.

To take advantage of these arrangements the Board will be required to meter all pumps in the Boards' area as quickly as practicable.

I look forward to your acceptance of these arrangements so that formal procedures can be finalised.

Yours faithfully,

Signed

for COMMISSIONER OF WATER RESOURCES

c.c. Regional Engineer,
Water Resources Commission,
Northern Region,
AYR

TO SEE: General Manager, Water Management Division



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The Commissioner of Water Resources

Your reference 91/

Our reference 5 November 1991
Date

Chairman
South Burdekin Water Board
PO Box 376
HOME HILL QLD 4807

Dear Sir,

I refer to our discussions on 11 October 1991 regarding finalisation of an agreement with both North and South Burdekin Water Boards for water supply from the Burdekin Dam.

At those discussions, I referred to arrangements offered in my letter dated 8 October. They were:

| | |
|---|-------------------|
| a combined free allowance to the Boards | 185 000 Ml |
| an additional allocation reserved in the Dam | 25 000 Ml |
| | <hr/> |
| Total Allocation: | <u>210 000 Ml</u> |
| the minimum annual charge volume (paid for whether used or not) | 15 000 Ml |
| the additional volume over and above that minimum charge volume, available from the Dam if required | 10 000 Ml |

The charge for use over 185 000 megalitres including the additional volume of 10 000 megalitres is to be at the river rate in the Burdekin River Irrigation Area as set annually.

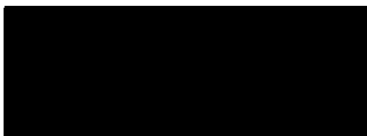
Charges are to commence in this financial year 1991/92 and the Agreement be reviewed after seven years or earlier if the combined Boards' use exceeds the total allocation of 210 000 megalitres. The first invoice is to be issued for 1991/92 in ~~January 1992~~ January 1992.

It will be necessary to formalise these arrangements by amendments to the Boards' current constituting Order in Council and I see the conclusion of this matter a matter of urgency now with the Boards having been supplied with water now since 1987.

An essential step in apportioning charges each year will be for the Boards to advise the Commission of the breakup of charges between the Boards. I believe this should be done in December each year and based on the crop to the end of the season. It is intended that the breakup will then be used to prepare individual invoices in January.

I believe we reached agreement to this proposal at our discussions on 11 October and I would appreciate formal confirmation of this from your Board so that the Order in Council can be prepared.

Yours faithfully,



P.J. Bevin
COMMISSIONER OF WATER RESOURCES

W.R.C. AYR REGIONAL C...

File No. 83-002 Letter No. 1122

08 NOV 1991

| Refer to | Refer to | Init |
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| RE | C. M. B. S. S. | |
| <i>P. W. Bevin</i> | | |
| A. D. | | |

c.c. Regional Engineer
Water Resources Commission
Northern Region
AYR