



**PRIVATE DIVERTERS
CUSTOMER SERVICES
ADVISORY COMMITTEE**

MINUTES

Venue: LMW 14th Street Training Room
Date: 27th September 2010
Time: 2.30PM – 3.30PM

1.0 APOLOGIES

Loris Davis – General Manager Business Services
Tim Millen
Craig Thornton
Ian Keens

ATTENDANCE LMW

- | | |
|--|--|
| <ul style="list-style-type: none">• Owen Russell• Ron Leamon• Darren Raeck• John Bergin• Leesa Merrett | General Manager – Customer Services
Managing Director
Manager – Engineering Services
Manager Financial Services
Customer Relations Officer |
|--|--|

ATTENDANCE CSAC

Geoff Minter
Andrew Young

2.0 WELCOME OWEN RUSSELL

GM Customer Services welcomed Members to the meeting.

3.0 ELECTION OF CHAIR AND DEPUTY OWEN RUSSELL

The Committee decided to defer a decision on electing a chair and deputy due to lack of numbers at the meeting. The election will be held via email for members to vote.

ACTION ITEM – CRO TO SEND EMAIL REQUESTING MEMBERS VOTE FOR A CHAIR AND DEPUTY CHAIR FOR THE COMMITTEE.

4.0 ALLOCATIONS FOR 2009/10 OWEN RUSSELL

Members were advised that the allocation had increased to 94% for Murray irrigators on 15th September 2010. This was higher than expected and greater than at the same time last year with an increase of 37% increase to high security water share.

Catchments and storages are at good levels with Hume at 79% capacity and Dartmouth at 45%.

It is expected that the next allocation announcement will bring allocations up to 100% with the excess to be allocated to next year's high security and this years low security water share.

It is expected that temporary water will be very cheap and being sold at very low levels compared to previous years. Currently temporary water is being sold at \$35 per ML.

5.0 PRIVATE DIVERSION RATING STRUCTURE 2010/11

OWEN RUSSELL

GM Customer Services outlined the current Private Diversion Rating Structure and advised that LMW would be consulting with customers to determine the best method for 2010/11.

Further meetings will be held with the Committee and the broader community at at time and date to be advised regarding the rating structure.

ACTION – GM CUSTOMER SERVICE TO CONVENE A SPECIAL MEETING WITH THE PRIVATE DIVERTERS COMMITTEE TO DISCUSS THE RATINGS STRUCTURE.

6.0 TABLING OF ANNUAL REPORT

OWEN RUSSELL

The meeting was advised that LMW's Annual Report for 2009/10 was tabled in parliament on 16th September 2010. The annual report will now be reduced in size and content at the direction of the Ministers office. The report will now contain no photos and be in black and white only.

A key component of the report was the financial loss associated with the drought and subsequent reduced consumption. Other issues in the report included environmental, staff and statutory reporting requirements.

Termination fees produced a larger than expected revenue \$2.4M for 2009/10, this fee is only applicable to irrigation districts. This is part of the exit package and therefore the property cannot be irrigated for 5 years once the termination fee is paid. 80 customers paid termination fees over the 4 pumped districts within LMW region.

7.0 PRIVATE DIVERTER FINANCIALS

JOHN BERGIN

Manager Financial Services presented a financial report for Private Diverters. The data presented showed actual revenue and expenditure against the budget and against the figures presented in the LMW Water Plan submitted to the ESC. Actual figures for 2010 and 2009 enabled a further comparison.

Income was \$4m primarily from rates and charges, interest and other revenue, expenditure was just over \$4.2m.

The Committee noted the Doubtful Debts \$571,514 and questioned how LMW can recoup this debt. This debt is mostly related to overuse and LMW is taking steps to try and recoup the costs with payment plans etc. LMW encounters problems with recouping the debt as in the majority of cases the debt is more than the value of the property.

Geoff Minter requested that an explanation be sent out to Diverters explaining the Water Share tariff. GM Customer Service Owen Russell explained that LMW is now generating the tariff at the first billing period and offering 4 installment payment process for growers to pay the tariff. This process is varied from the previous method of charging the tariff at the end of the season.

ACTION 1 – GM CUSTOMER SERVICE TO INVESTIGATE THE OPPORTUNITY TO GIVE AN EXPLANATION ON THE QUARTERLY BILLS OUTLINING THE TARIFFS AND HOW THEY ARE ALLOCATED.

8.0 OTHER BUSINESS

8.1 METERING UPDATE **DARREN RAECK**

Darren Raeck gave an update about the metering program. The program aim is to replace the outdated meters and separate stock and domestic supplies from irrigation supplies.

8.2 FLOOD REPORT **OWEN RUSSELL**

GM Customer Service Owen Russell gave an update on the current flood situation and flows in the Murray System. It is expected that we will see approx 35,000 ML a day of flow coming through the Murray system past Mildura. It is expected that the Murray will increase by approx 1 meter over the coming weeks, with a possible rapid recede of the water level. This may also bring a possible increase in salinity with the system; current salinity levels have been maintained recently at a very low 120 EC units.

8.3 RURAL CUSTOMER CHARTER IMPLEMENTATION **OWEN RUSSELL**

GM Customer Services reported that LMW had sent out a revised version of the Rural Customer Charter with particular note to the installation of gates etc. An email has been sent out to the committee members outlining the changes and requesting comments if necessary. If the committee had queries regarding the revised Rural Customer Charter they were advised to speak to Peter Ebner.

8.4 PUMP SITE CLEAN UP **OWEN RUSSELL**

Owen Russell gave an update regarding the public meetings being held around the district to assist irrigators to clean up pump sites. LMW is looking to offer financial assistance and trade offs to growers to assist in the clean up process for pump sites and surrounding areas

Meeting closed at 3.30pm