



# Summary Information Sheet

Board Meeting 145

Held at Tatura on Wednesday 28 February 2007

## *A summary of information and deliberations*

	<b>PRESENT:</b>	
<b>Don Cummins</b> Chairperson	<b>John Pettigrew</b> Deputy Chairperson	<b>John Brooke OAM</b> Director
<b>Craig Cook</b> Director	<b>Peter Fitzgerald</b> Director	<b>Des Powell</b> Director
	<b>Jean Sutherland</b> Director	
<b>Russell Cooper</b> Chief Executive	<b>Trevor Ierino</b> Manager Business & Finance	<b>Brian Carr</b> Corporate Secretary

*For queries regarding this information sheet, please contact Brian Carr on telephone No. 03 5833 5550 or email [brianc@g-mwater.com.au](mailto:brianc@g-mwater.com.au)*

*The next Board meeting will be held at Tatura on Wednesday 28 March 2007.*

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### **Drought and Water Resource Issues**

A presentation was made to the Board on the many issues that have made the 2006/07 irrigation season most challenging for irrigation and bulk water supplies. The focus on the drought and water resource issues is now changing as attention turns to the completion of the current season and towards the outlook and contingency planning for the 2007/08 season.

### **Carry Over**

The consultation process on the carrying over of entitlements, and adverse feedback on the duration and nature of the consultation, was noted by the Board. The Minister for Water has since (on 2 March) announced that he has approved the carrying over of entitlements, allowing carry over from the 2006/07 irrigation season to 2007/08.

### **G-MW's Infrastructure Upgrade Plan**

An update was provided to the Board on the development of G-MW's water plan under which 400,000 ML of water savings could be achieved, dams upgrade undertaken and the connectivity channel constructed at an estimated total cost of \$3.8b. Arrangements to facilitate the plan and an update on its development will be further considered at the Board's March 2007 meeting.

### **Diversions Metering Program**

This matter was considered at the last Board meeting where Directors requested a review of the metering program, with the outcome to be reported to this (the February 2007) Board meeting.

The review has been completed in consultation with Water Services Committees.

A presentation was made to the Board by management on a revised approach, one which will allow customer choice on meter installation (either by customers or G-MW) and providing an offer of payment terms for meters installed by G-MW. Target timelines for completion would be agreed with the Department of Sustainability and Environment under the proposed program.

The revised program was approved by the Board; management will now communicate with customers concerned with a view to the revised program proceeding as soon as possible.

### **Pyramid-Boort Future Management Strategy**

The Pyramid-Boort Future Management Strategy seeks to determine the most viable irrigation system for Pyramid-Boort and was officially launched in March 2005 by the Minister for Water. It is essentially the first of G-MW's reconfiguration programs; stage 1 was completed in January 2006.

At the February Board meeting Directors considered the next stages of the Pyramid-Boort project and, following a presentation and discussion with management and noting the affirmative recommendation by the Pyramid-Boort Water Services Committee, agreed that implementation of the rationalisation element of the project should now proceed. This phase of the project is expected to take two years.

The Board commended the Pyramid-Boort Area management, the Pyramid-Boort WSC and the project working group on the significant progress achieved on this project.

### **Shepparton Modernisation Project**

The Shepparton Modernisation Project has identified modernisation works comprising approximately 135 kms of gravity pipelines, 43 kms of high pressure pipelines, automation of 570 channel regulators and upgrading of 2,290 outlets to properties. G-MW is seeking external funding of \$155.6m in exchange for 47.3 GL of water savings.

The Board noted progress in the development of this project and agreed on the basis of a submission of the project business case to the Victorian Treasury and the Living Murray Eligible Measures Register for funding.

### **Tariff Policy Review**

This matter was also considered at the December 2006 Board meeting where Synergies Economic Consultants met directors and management to discuss a wide range of policy, regulatory and customer issues, particularly those relating to customer concerns in drought years in meeting fixed costs for reduced deliveries of water.

Synergies Economic Consultants attended the February Board meeting to discuss their Issues Paper and to present background on the options raised; the matter was also considered at the 6 March WSC Leadership meeting.

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Synergies Economic Consultants have been requested to develop their paper for a final report to be delivered to the Board at its 28 March 2007 meeting.

### **Director and Employee Trading of Water Entitlements**

A report was presented to the Board on the implementation of improved procedures, agreed by the Board at its last meeting, on requirements for directors and employees in conducting personal trades of water entitlements.

### **Committee Appointments**

Appointments were made to the Torrumbarry Reconfiguration & Asset Modernisation Strategy Working Group and to the Rochester-Campaspe WSC.

### **Board Performance Review**

The 2007 review of the Board's performance, and its review of improvement measures agreed in last year's performance review, was conducted in a workshop immediately following the Board meeting.

### **REPORTS**

The Board addressed further reports:

- Unbundling Communications Plan (a copy of information on unbundling, being mailed to customers on the same day as the Board meeting, was provided to directors).
- WSC meetings and the resolutions passed.
- Current status of water savings projects.
- Amendment to the Ovens System Bulk Entitlement Order.
- Insurance requirements for G-MW contracts.
- Dam safety upgrade program.
- Advanced Maintenance Program.
- Alleged water theft incidents.
- Capital projects reporting.
- Quarterly water trading report.

Brian Carr  
CORPORATE SECRETARY

Russell Cooper  
CHIEF EXECUTIVE

7 February 2007