

Nyah Irrigation District Future Service Strategy

What is a Future Service Strategy?

The infrastructure that supplies the Nyah Irrigation District was largely constructed in the 1960s and 70s. It's now ageing and nearing the end of its life.

GMW will now work with Nyah customers to develop a Future Service Strategy for the district. Put simply, this is a long-term service, infrastructure and pricing plan for Nyah's water delivery system

To do this, we will work with customers to understand what sort of service they want in the future, to develop an infrastructure plan and pricing to match.

GMW will also undertake critical and routine maintenance in the short-term.

Why is GMW undertaking the Future Service Strategy?

We want to replace Nyah's ageing system with one that is fit for purpose – that meets customers' needs and service requirements based on their current and future farming practices. Future service must be affordable for customers and financially sustainable for GMW.

The Future Service Strategy is a process to undertake consultation with customers, to understand these needs and to develop a long-term service, infrastructure and pricing plan for Nyah.

Has GMW undertaken any work on the Future Service Strategy?

The Essential Services Commission (ESC) is an independent regulatory authority that assesses our pricing and service standards to ensure they are fair and reasonable for our customers.

To explore future service strategies for the Nyah irrigation district and to undertake critical and routine maintenance in the short-term, the ESC approved price increases for Nyah District customers during the 2016/2020 period.

Our next pricing submission is due in August 2019. This submission will include our proposed pricing and tariffs for the Nyah District that will support a Future Service Plan for the district.

This will be based on outcomes and input from customer consultation to develop the plan and will be for the 2020/2024 period.

Will the current delivery system change or be replaced like-for-like?

This will be based on feedback and input from our customers and stakeholders. What we do know is that to replace the system like-for-like, customer's prices would need to increase.

Currently, there is an overall decline in demand for irrigation water. On the other hand, some customers have indicated their plans to expand into the future.

We will work with customers to understand the bigger picture, to inform the long-term pricing and infrastructure plan.

The final service strategy will be determined by the level of service our customers need and type of system and infrastructure required to meet those service levels.

What will impact the future service plan and the type of system and pricing plan that will be implemented?

There are a range of factors that will determine the type of system, service and tariff structure for Nyah. This will largely be determined by feedback and input from our customers, as well as engineering requirements.

The type of infrastructure and level of service customers want and require will inform the pricing plan. Pricing can be adjusted by reducing or increasing the level of service or infrastructure required to operate the system.

For example, the type of service (flow rate, high or low pressure, filtered or unfiltered), the

FREQUENTLY ASKED QUESTIONS



geographical footprint and whether that will expand or decrease, number of customers, type of customers (remaining irrigation or switching to domestic and stock and on-farm requirements).

GMW will work with you to talk through all of these options and your current and future needs and requirements.

Does GMW have a view on how Nyah should operate into the future?

No. We will be keeping an open mind and will be informed by our customers' needs and requirements.

We recognise that there may be potential to increase services but we also know there may be customers wishing to reduce their level of service.

GMW will be reviewing all current delivery practices to ensure we are operating as efficiently as possible and to not only understand customers' needs now, but into the future.

How will GMW consult with customers to develop the plan?

Initially, GMW will be coming out to speak with you about the project and the process for developing the plan.

We will set up a time with you to meet one-on-one at your property or a location of your choice. During this session we will have a series of questions to ask relating to your current farming practices, future plans and views for the district.

We want to understand each individual customer's requirements and views.

Following this, we will develop a draft Future Service Strategy for consultation.

Feedback and input from this will inform the final Nyah Future Service Strategy.

The final strategy and pricing will need to be approved by the Essential Services Committee (ESC) as part of our 2020 - 2024 pricing submission.

Throughout the process, there will be number of ways customers can provide feedback and seek more information including via:

- Our website www.gmwater.com.au/nyah
- By phoning 1800 013 357 or by;
- Emailing nyah_future_service_strategy@gmwater.com.au

A working group, including representatives from Nyah, Tresco and Woorinen, has also been established for our [Tariff and Pricing Review](#).

Feedback and outcomes from the Nyah Future Service Strategy consultation will be shared with this working group whose role is to assist GMW to develop a tariff and pricing strategy for up to ten years into the future.

Will my prices rise into the future?

This will depend on level of service, supply, type of infrastructure and associated pricing plan that result from the Future Service Strategy.

Preliminary estimates show that it will cost around \$30 million to replace existing infrastructure "like-for-like".

Input from customers is critical to develop a stable and supported pricing plan.

Will existing Delivery Shares be affected?

GMW can provide advice to Buyers/Sellers of Delivery Share, which may provide opportunities for the district to benefit.

The total Delivery Share for the Nyah Irrigation District will not reduce without reductions in services agreed to by the customers.

Is GMW planning on reducing Water Shares (High Reliability Water Shares)

No. GMW does not control the water shares held by customers in the Nyah Irrigation District. Customers make these decisions according to their individual requirements.