

8th of March 2019

RE: STRONG SUPPORT FOR EMERALD TRANSITION TO LOCAL WATER MANAGEMENT

Following a vote by Emerald channel water allocation holders, local irrigators are set to take over management of the distribution scheme after strong support was received for the move. The scheme will be locally owned through a not-for-profit company, Fairbairn Irrigation Network Limited (FIN).

Emerald will be the third Queensland channel scheme to be transferred to local irrigators, after the St George and Theodore schemes successfully transitioned to local management last year. While counting of Emerald voting forms is still being finalised, the responses received to date mean that support has surpassed the requirement that customers representing 70% of the water allocation (by volume) support the proposal for local management to proceed.

The offer to Emerald water holders to own the scheme, including a \$2.5 million separation payment, closed last week (Friday, 1 March 2019), after a long process of consultation that commenced in 2012. The FIN Board, which negotiated the terms of the transfer with the State Government, welcomed the strong support from water holders and, the Chair, Anne Marie O'Callaghan, thanked everyone for participating in the process. "The support for local ownership of distribution assets represents a real opportunity for water holders to generate operational cost efficiencies and maximise control over distribution prices," Ms O'Callaghan said. "Our goal is to ensure the long-term sustainability of the scheme, with a flexible and consultative approach to operating the business. As a not-for-profit entity, FIN will ensure that surplus revenues are reinvested in the scheme using local services as much as possible, which will benefit both water holders and the local community," she said.

The Emerald channel scheme will be transferred to FIN on 1 July 2019 subject to finalisation of the remaining transfer conditions. Bulk water supply assets such as the Fairbairn Dam will remain owned and operated by SunWater. FIN will maintain the existing depot and office in Emerald town, and the very experienced SunWater staff will transfer over to FIN and continue to manage the day to day functions of the scheme.

"We are looking forward the next phase of the scheme, one that is tailored and responsive to the needs of the channel customers, and they will have a greater say in water pricing and future renewal and refurbishment of the scheme," Ms O'Callaghan said.

More on FIN is available www.fairbairnirrigation.com.au. For more on Local Management Arrangements (LMA) for SunWater's irrigation channels go to www.lmairrigation.com.au.

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