

securing | our water future



This week we share some facts on the Coliban Water pipeline project announced this week. The pipeline will bring water from the Waranga Western Channel near Colbinabbin to Lake Eppalock for direct supply into the Coliban system.

The pipeline is good news for both urban and rural customers in the Bendigo, Castlemaine, Kyneton and Heathcote areas who will benefit from increased water security when the project is completed next year.

The 45km, 900mm diameter underground pipeline will cost \$70M and will provide passage for up to 20,000ML of water per year. Urban and rural customers in the Coliban system use approximately 38,000ML on average during an unrestricted year. During restrictions last year, consumption was approximately 20,000ML.

ABOVE: Chairman Gordon McKern and Member for Bendigo West, Bob Cameron, celebrating the announcement at Sandhurst Reservoir (below) earlier this week.



The Pipeline

Feasibility study

A feasibility study jointly funded by Coliban Water, Goulburn Murray Water and the State Government was commissioned in March 2006 to determine the most appropriate means by which Coliban Water can increase water security through accessing additional supplies from the Goulburn/Campaspe Systems. The study is still underway and due for completion later this month.

Seven possible options were considered in the study, but in an interim report the consultants identified three pipeline options as more favourable. Out of these, the Colbinabbin to Lake Eppalock pipeline, which was first identified by Coliban Water over 12 months ago, has been selected as the preferred option.

The Interim Report is available at www.coliban.com.au/projects/set_projects.html

The final report will incorporate the refined and concluded option analysis and will focus on greater detail for the chosen Waranga Western Channel near Colbinabbin to Lake Eppalock option.

Your involvement

The community has been heavily involved in our water security planning and solutions. At community workshops in 2004 the community endorsed proposals to source water from outside our region, projects to achieve urban and rural savings and a move toward greater use of recycled water.

From this planning came the release of a **Water Security Plan Option Paper** in February 2005, and then the State Government's Bendigo Regional Action Plan released in September last year. Providing even more detail is our water security plan – Waterplan 2055.

Long-term water security

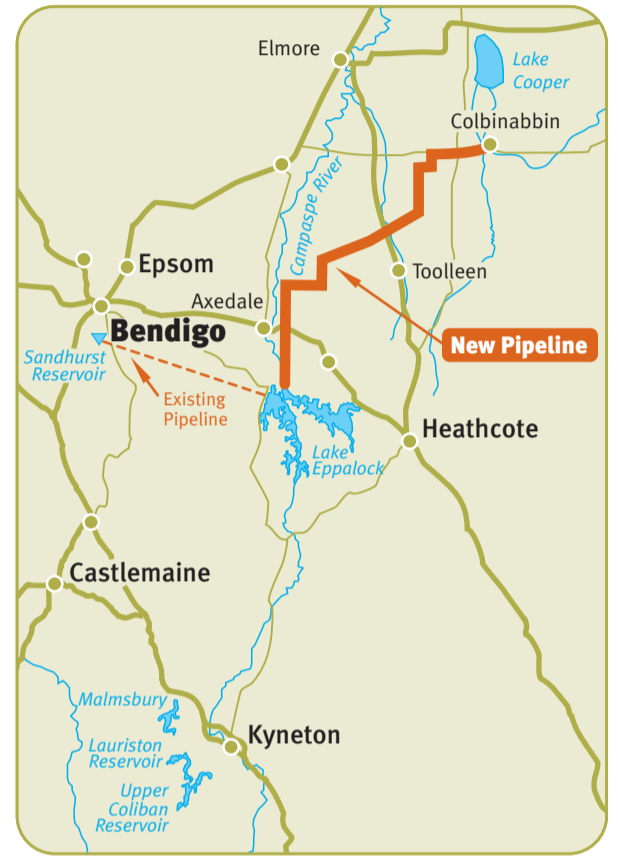
The new Colbinabbin/Lake Eppalock Pipeline is not the single solution to water security. To meet population growth and to respond to climate change over the next 50 years, focus needs to continue on three other key action areas: urban savings, rural savings, and greater use of recycled water.

Coliban Water's water security plan **Waterplan 2055** can be found at www.coliban.com.au

The water

This pipeline will allow Coliban Water to access the larger water supplies available out of Lake Eildon in the Goulburn System to supplement supplies in the smaller Campaspe system.

Coliban Water will use the new pipeline only when necessary to supplement supplies in the Coliban system. In years of good inflows into our storages, the pipeline may not be used. Coliban Water will not be pumping water into Lake Eppalock for purely recreational purposes but recreational uses may benefit from some additional water being pumped into Lake Eppalock.



Funding

The pipeline will come at a cost of \$70M. \$30M funding has been announced by the State Government, and Coliban Water has applied for \$30M funding under the National Water Initiative (NWI). The funding proposal meets the NWI criteria and Coliban Water is optimistic of a successful outcome.

Water prices

The new pipeline will have an impact on customer bills. Irrespective of any government funding, water prices will need to increase. Any increases recommended by Coliban Water will be subject to significant scrutiny and final approval by the industry's independent regulator, the Essential Services Commission. Community consultation must be undertaken before any price changes can be finalised.

Pipeline timeline

An ambitious timeline has been set to complete the pipeline to ensure improved supply by summer 2008. This project has been brought forward by Coliban Water to respond to the impacts of the ongoing drought on water security.

Water restrictions

Current storage levels, anticipated inflows into storages and anticipated demand are among several factors considered when setting water restriction levels. Even when the pipeline is complete, these factors together with progress on other water security projects will be considered when reviewing water restriction levels. It is likely that water restrictions will be eased over a period of time rather than immediately lifted.

