

QCA irrigation workshop: issues arising

[This note records issues identified and views expressed by stakeholders present at the meeting. The QCA is yet to form any opinion on these issues and views. As appropriate, issues will be addressed in the QCA's draft report.]

Scheme/(s): Pie Creek distribution system

Date: Friday 22 February 2019

Government pricing principles

- One stakeholder wanted to know whether there was a timeframe for getting to lower bound costs. This stakeholder said that the scheme had been designed to be supported by a community service obligation (CSO) by the government and that scheme members had built their businesses with this understanding.
- As stakeholders consider the CSO to be vital to the viability of the scheme, they sought clarity as to whether the government has any intention of shutting down the scheme. Stakeholders consider that it would be costly to decommission the scheme and that the government would have to compensate them were this to occur.
- One stakeholder stated that, as successive local governments have converted land to other uses thereby affecting the viability of the scheme, they should be a part of the QCA's investigation.

Pricing framework

- A stakeholder noted that some downstream users have riparian rights and are able to take water for domestic and stock use. However, these users are not metered and may be taking regulated water to the detriment of scheme customers.

Public interest matters

- Some stakeholders were concerned that variable charges would move directly to cost reflective levels with no consideration for moderating bill impacts. They wanted clarity as to whether the QCA would moderate bill impacts.
- They also noted that there are some 'sleepers' in the scheme who do not use their allocations and therefore do not pay any variable charges. They consider that these entitlement holders should contribute more to the recovery of scheme costs.