



6 March 2019

Chair
Queensland Competition Authority
GPO Box 2257
BRISBANE QLD 4001

Dear Sir,

LOCKYER VALLEY IRRIGATORS SUBMISSION UNDER SECTION 23 OF THE QUEENSLAND COMPETITION AUTHORITY ACT 1997

I refer to the request for submissions into the Queensland Competition Authority's investigation into the pricing practices of Sun Water and SEQ Water.

I fully support the submissions of Lockyer Water Users Forum and Lockyer Valley Regional Council (attached) and reiterate the following recommendations, in light of the poor performance of the water supply schemes of Atkinson Dam, Lake Clarendon, Mortonvale Pipeline and Bill Gun Dam.

1. Do not introduce a Part A pricing framework for Lockyer Valley schemes.
2. Define new pricing principles for water supply schemes where supply performance is well below acceptable levels and making it difficult to reach cost recovery or breakeven through the creation of a poor performing asset category.
3. Continue with charging for water on a volumetric basis only to reflect water availability and the ability to generate agricultural production and cash flow to cater for Part A and Part C where applicable.
4. Introduce Nodal Pricing as applicable.
5. Discontinue the Part A pricing framework on Atkinson Dam and return pricing to a volumetric basis only as outlined in points 2 and 3 above.

Regards,

Jim McDonald MP
MEMBER FOR LOCKYER