

01 OCT 2010

DATE RECEIVED



Hon Stephen Robertson MP
Member for Stretton



Queensland
Government

Ref CTS 14742/10

Minister for Natural Resources,
Mines and Energy and
Minister for Trade

Mr Brian Parmenter
Chairman
Queensland Competition Authority
GPO Box 2257
BRISBANE QLD 4001

28 SEP 2010

Dear Mr Parmenter

I am writing to advise you on the assets associated with the bulk water supply service as referred to in the Ministerial Referral Notice of 19 March 2010 (the direction). These assets will constitute the bulk water supply and are to be considered by the Queensland Competition Authority (QCA) in its assessment of the opening regulatory asset base on 1 July 2011 as per the policy parameters under Section 1.4 (b) of the referral.

I understand that the QCA, in discussions with the Department of Environment and Resource Management, sought clarification that, for the purpose of the referral, assets associated with the bulk water supply be defined as: *infrastructure associated with the storage of large quantities of water, which is used to supplement water access entitlements and are described in, and regulated under the ROLs and IROLs.*

The QCA's interpretation results in a list of storage assets such as dams, weirs, barrages and off-stream storages being defined as bulk assets as per Attachments 1 and 2, which is the intended definition.

The proposed definition does not include ancillary assets which perform water distribution functions either for bulk (river and groundwater access entitlements) or channel irrigators.

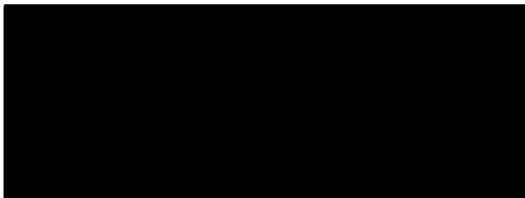
For the purpose of this referral, all ancillary assets used in the distribution of bulk water are to be valued at zero. This includes in-stream pump stations, gauging stations and bulk channels. This aligns with the Government's policy intent, for the purpose of setting irrigation water prices, that channel distribution systems be valued at zero as set out in the referral.

I would like to make one minor modification to the QCA definition and that is to remove the reference to large quantities as this is potentially confusing.

There is one point of clarification in the application of this definition which I would like to make. The QCA has not been requested to recommend prices for water services provided by Burnett Water Pty Ltd and, therefore, for the purposes of this referral, the assets of Burnett Water Pty Ltd (that is, Paradise Dam and Kirar Weir) are not to be included in this review.

Should your office have any further enquiries, please do not hesitate to contact Ms Judith Jensen, Director Water Legislation Policy and Pricing of the department on telephone 3330 6108.

Yours sincerely



STEPHEN ROBERTSON MP

Att

SunWater Bulk Water Infrastructure Authorised by a ROP

Resource Operations Plan	Water Supply Scheme	Bulk Water Infrastructure
Barron	Mareeba Dimbulah	Tinaroo Falls Dam
		Dulbil Weir
		Granite Creek Weir
		Collins Weir
		Bruce Weir
		Leafgold Weir
		Solanum Weir
Border Rivers	Macintyre Brook	Coolmunda Dam
		Greenup Weir
		Whetstone Weir
		Ben Dor Weir
Burdekin	Burdekin Haughton	Burdekin Falls Dam
		George Weir
		Blue Valley Weir
		Clare Weir
		Val Bird Weir
		Giru Weir
	Bowen Broken	Eungella Dam
		Bowen River Weir
		Gattonvale Offstream Storage
Burnett	Boyne River and Tarong	Boondooma Dam
	Bundaberg	Fred Haigh Dam
		Bucca Weir

Attachment 1

Resource Operations Plan	Water Supply Scheme	Bulk Water Infrastructure
		Kolan Barrage
		Ned Churchward Weir
		Ben Anderson Barrage
	Upper Burnett	Wuruma Dam
		John Golbey Weir
		Jones Weir
		Claude Wharton Weir
	Barker Barrambah	Bjelke-Petersen Dam
		Joe Sippel Weir
		Silverleaf Weir
Condamine and Balonne	Upper Condamine	Leslie Dam
		Talgai Weir
		Yarramalong Weir
		Lemon Tree Weir
		Cecil Plains Weir
		Melrose Weir
		Wando Weir
		Nangwee Weir
	Chinchilla Weir	Chinchilla Weir
	Maranoa River	Neil Turner Weir
	St George	E J Beardmore Dam
		Jack Taylor Weir
		Moolabah Weir
Buckinbah Weir		
Fitzroy	Nogoa-Mackenzie	Fairbairn Dam
		Selma Weir

Attachment 1

Resource Operations Plan	Water Supply Scheme	Bulk Water Infrastructure
		Bedford Weir
		Bingegang Weir
		Tartrus Weir
	Lower Fitzroy	Eden Bann Weir
	Dawson valley	Glebe Weir
		Gyranda Weir
		Orange Creek Weir
		Theodore Weir
		Moura Offstream Storage
		Moura Weir
	Neville Hewitt Weir	
Pioneer	Pioneer River	Teemburra Dam
		Mirani Weir
		Marian Weir
	Dumbleton Rocks Weir	
	Eton	Kinchant Dam
Warrego Paroo, Bulloo and Nebine	Cunnamulla	Allan Tannock Weir

Attachment 2

SunWater Bulk Water Infrastructure Authorised by an IROL

Catchment	Water Supply Scheme	Bulk Water Infrastructure
Fitzroy	Callide Valley	Callide Dam
		Callide Weir
		Kroombit Dam
Mary	Lower Mary River	Mary Barrage
		Tinana Barrage
Whitsunday	Proserpine River	Peter Faust Dam
Burnett	Three Moon Creek	Cania Dam
		Avis Weir
		Mulgildie Weir
		Youlambie Weir
		Monto Weir
		Bazley Weir