

## FIRST ROUND CONSULTATION – ISSUES ARISING

[This note records issues identified, and views expressed, by stakeholders present at the meeting. The Authority is yet to form any opinion on them. As appropriate, issues will be addressed in proposed Issues Papers and in the Authority's reports].

**Scheme:** McIntyre-Brook Water Supply Scheme (including Coolmunda Dam)

**Date:** 06-May-10

**QCA Contact:** Matthew Rintoul (07 3222 0540, matthew.rintoul@qca.org.au)

### Process Issues

- Concern that it is unclear who will be paying for this review.

### Technical Issues

- Some irrigators involved in water trading activities in this scheme subsidise other irrigators trading water due to storage factors applied to the trade. Allocation of costs that considers these storage factors will need to be considered.
- As part of the last review a rate of return was not required. Concerns that now a rate of return will be required and this will constitute an additional cost. Dam was a political decision built at a high cost and involves high maintenance costs.

### Scheme Specific Issues

- Given the structure of the dam is primarily a rock wall it is difficult to justify any extensive maintenance program.
- Concern that recent maintenance costs/capital expenditure have exceeded levels agreed to by irrigators and that this cost will be passed on to irrigators as part of the prices going into the future. Irrigators may not have agreed to this maintenance initiative if the costs were known.
- Given current revenue cap, what are the implications of this form of regulation for the next price path? Will this assessment also take into account recent maintenance costs/capital expenditure (that) have exceeded levels (previously) agreed to by irrigators ?
- Allocation of costs associated with providing recreational and other facilities at the dam needs to be considered – including parking areas, housing and water treatment services.
- Consideration needs to be given to the impact of any potential price increases on the future of the .
- Raised questions regarding the adequacy of SunWater services – no scheme advisory meetings .