

Stakeholder follow-up meeting: 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 final report.]

Scheme/(s): Burdekin-Haughton distribution system

Location: Giru

Date: Wednesday 16 October 2019

Purpose of the follow-up meeting

- To clarify the conclusions in the consultant report (Water Solutions) published with the QCA's draft report. This clarification was specifically requested by some stakeholders at the Giru workshop held on 23 September 2019.

General

- Concern around the due date for submissions.

Pricing framework

- Concern that the QCA did not take into consideration the irrigators' capacity to pay.
- Query as to whether the Invicta Cane Growers Organisation submission on capacity to pay was taken into consideration by the QCA in recommending draft prices.

Costs

- Query as to whether the QCA assessed costs for the Giru Benefitted Area (GBA) or at the scheme level. Sunwater stated the costs were at a scheme level.
- View expressed that to get the true cost for GBA customers the QCA would need to take account of hydrological factors and the absence of a channel service.
- Query as to whether stakeholders bear the costs of environmental flows. It was noted that the referral requires lower bound prices to recover the efficient level of costs that are required to be incurred by Sunwater to provide the service, deliver agreed service levels and meet regulatory obligations (including environmental obligations).
- View expressed that costs that are required to meet environmental obligations should be covered by a community service obligation (CSO).
- Concern raised that GBA irrigators do not receive the same level of service as the channel irrigators, as they have to pump their water up from groundwater and many channel irrigators receive gravity-fed water.
- View expressed that Sunwater incurred no channel and headwork construction costs, very little capital works involved in supplying the GBA with water, minimal ongoing maintenance costs compared with the channel system and with no maintenance costs on river.
- View expressed that channel system provides different level of service with minimal or no electricity costs for channel irrigation due to positive head in channels as compared to GBA irrigators high electricity costs and higher capital costs incurred in maintenance of bores and pumping infrastructure.

Hydrological modelling

Scope of hydrology review

- Query as to why the QCA engaged a hydrologist when the OD hydrology report was independent. It was noted that submissions received by the GBA Sub Committee and CANEGROWERS Burdekin had raised concerns that there could be deficiencies or inaccuracies contained in the reports submitted.
- Query as to whether the QCA hydrologist (Water Solutions) tendered for the job.
- Query as to whether a hydrogeologist would have been better qualified to assess the existence of a groundwater supply than a hydrologist.
- Query as to whether Water Solutions built a model or reviewed a model. Hydrologist indicated it was a review of the OD hydrology model.
- Concern raised at the lack of a site inspection in the review.
- View expressed that the hydrologist should have looked at historical hydrology and other reports to understand how the GBA Groundwater had been previously assessed at 19,700ML.

Assessment approach

- View expressed that the bore (number 11900058) shown on the aquifer level performance graph (Figure 4-4 in the Water Solutions report) was not appropriate, as the bore was not located in the GBA as defined in the map found in Schedule 3 of the Water Plan (Burdekin Basin) 2007.
- Hydrologist indicated that the OD hydrology model does not include a rule for the environmental flows.
- Query as to whether hydrologic modelling takes into account water harvesting along Major Creek. It was noted that the OD Hydrology model has not included these users.
- View expressed that the water harvesters are taking natural Haughton River flows, so this will have an impact on the natural flows available to GBA customers.
- Concern raised at accuracy of release and metered extraction data presented in the 2017 Kavanagh report.
- View expressed that the estimates of the release data in the Kavanagh report do not take into account the distribution losses, environmental flows and un-metered end-of-system losses.
- View expressed that as the Val Bird Weir had been maintained in a near-full condition that this had prevented the weir capturing natural yield.
- Query as to how hydrologist could draw a conclusion that "GBA irrigators are receiving little contribution from Natural Haughton River flow in dry periods" when Sunwater had provided information that post the February 2019 flood event in the Burdekin, there had only been 10 releases totalling 300ML during the dry period up until 30 June 2019.