

29 February 2024

Giru Benefitted Area Committee
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Rural irrigation price review 2025–2029
Queensland Competition Authority
GPO Box 2257.
Brisbane QLD 4001

Submission from Giru Benefitted Area Committee

The Giru Benefitted Area Committee welcomes the opportunity to make a submission, as a stakeholder, on behalf of irrigators in the Giru Benefitted Area as part of the initial stage of the Rural Irrigation Price Review process. We trust that during this investigation process, appropriate weight is given to irrefutable evidence provided in support of some of our conclusions and recommendations, resulting in a balance between the legitimate commercial interests of the Businesses and those of their customers.

The Giru Benefitted Area Committee welcomes the opportunity to provide this submission to the Rural Irrigation Price Review process for the 2025-29 pricing period.

With approximately 3100 ha under cane Giru GBA irrigators are responsible for an annual sugar cane production of over 320 000 tonnes with a current value of more than \$20 000 000 . As well as small cropping and hay production in the GBA area. GBA irrigators are contributing more than \$84 000 000 in economic activity in Queensland, 240 jobs and \$14.5Million in Wages.

Growers have established their cropping businesses growing sugar cane based on the price of irrigation water that for over 30 years has recognised the existence of an aquifer and natural yield asset accessed by GBA irrigators.

The Giru town, the Invicta sugar mill and other associated businesses and services such as harvesting, planting, land preparation, agribusinesses rely on the economic wellbeing of GBA irrigators for survival and future prosperity.

We have major concerns relating to the Authority's previous recommendation that proposes prices that transition to a higher price target for Giru Benefitted Area customers that is the same as for Burdekin Channel tariff group customers.

GBA irrigators committee also fully supports the submission lodged by QCAR .

We appreciate the opportunity to make a submission on this extremely important issue and we would be pleased to assist SunWater and the QCA in this matter and are available should you wish to discuss further.

Yours faithfully,



Robert Stockham
On behalf of the Giru Benefitted Area Committee

Haughton Zone A Total Cane Crop Area
4379Ha

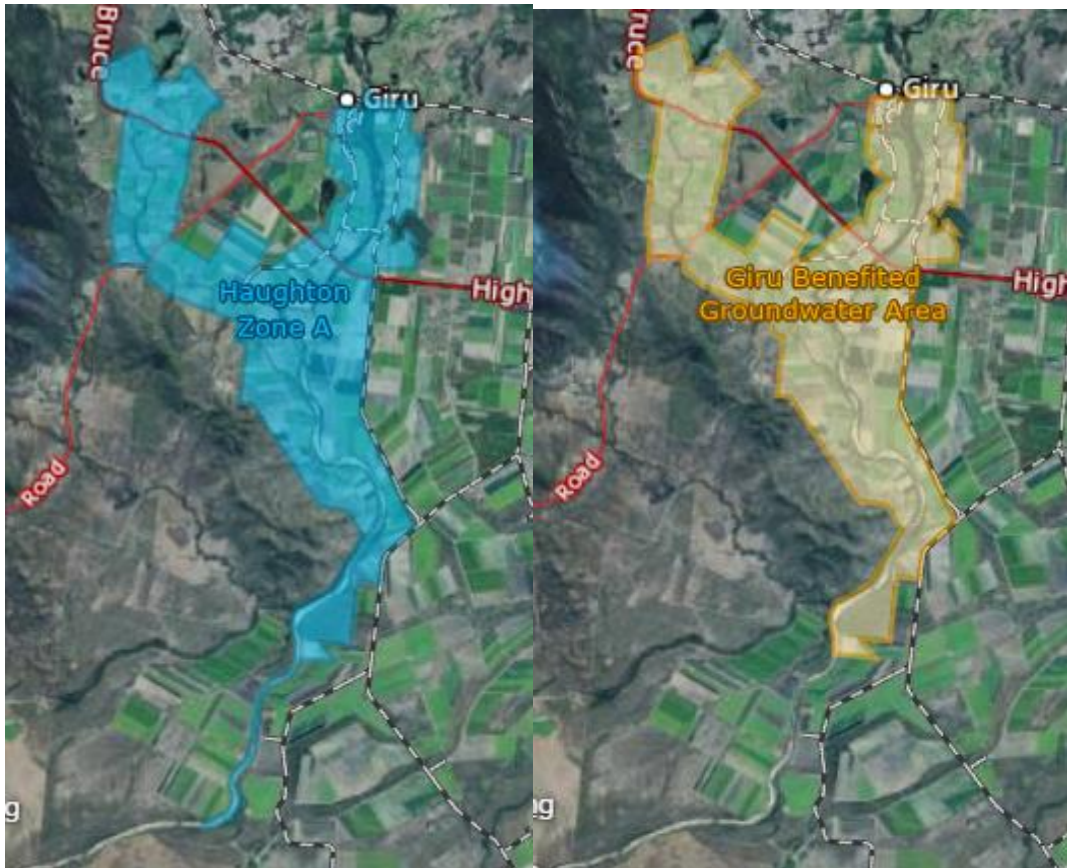
Giru Benefited Area Cane Crop Area
3087Ha

Average Annual Water Usage 2005 to 2016 Average Annual Water Usage 2005 to 2016

31734 MI

25830 MI

Imported Water Av 6500MI



Issues that will need reviewing by the QCA in the upcoming review include but not limited to:

1. Investigate the different level of service provided to GBA by Sunwater

In particular the difference in cost of water access to GBA customers vs the cost of access of channel customers.

-What is the ongoing cost to customers in the GBA to maintain the infrastructure to access water that is not incurred by channel irrigators that have direct link to water supplied by Sunwater.

- What is the electricity cost to access water by GBA customer over and above the zero or Minimal COST incurred by channel supply provided mostly at positive pressure.

-What other customers in the BRIA area are paying a full price for water in bores.

-What is the water quality in Bores in the GBA.

2. Investigate the actual cost of supply to GBA Vs channel system.

3. LMA

Investigate what changes were made to water supply arrangements. In the GBA to facilitate LMA.

Including:

- What consequences to GBA irrigators, whether unintended or intended, have occurred because of these changes?

- What impact has there been due to these changes on QCA recommendations for pricing and how are these LMA based changes leading to long term viability financial risk to GBA irrigators.

- Investigate reports commissioned by LMA or LMA linked organisations for bias whether intentional or by omission of critical facts.

4. Investigate whether reports used to develop pricing conclusions by the QCA in the previous price review lacked balance and objectivity and did not contain comparisons to the channel system efficiency and failed to account for nuances of the NON GBA water allocation usage included in Haughton Zone A. In particular the imported water allocation making a large portion of water used and the lack of ponding in the upper Haughton Zone A which requires constant releases despite there being natural flows into the Haughton River below this area and no releases would have been required by GBA irrigators in the traditional GBA area.

5. Given LMA has not proceeded in the BHWSS what changes that are detrimental to GBA irrigators should be reversed.

6. Investigations since the last QCA review have provided clarity to some assumptions made without the benefit of this information by the QCA and Water solution regarding cost of supply and the basis for pricing differentials. In addition to subsidisation assumptions if the price discount were to continue.

7. Investigate whether the current price path will in fact lead to

a. GBA irrigators subsidising the rest of the scheme because of the efficiency of the GBA scheme.

b. The charging of 200% of the lower bound costs to GBA customers in 2029/2030

8. Basin Plan / Water act

Why were changes made to water act that have now come to light regarding the Pre-Dam water accessed by GBA irrigators referred to as NATURAL YIELD.

Was the removal of the reference to Natural Yield also linked to LMA and the desire to shift GBA irrigators the same cost pricing as channel irrigators.

Can the QCA confirm what agencies made the decision to remove references to natural yield and given the last change to pricing.

9. What volume of imported temporary allocation is used in Haughton Zone A each Year? How is this additional usage accounted for in QCA pricing determination.

What other non GBA allocation both high and medium priority is used in the Haughton Zone A. How is the return to sunwater for this water accounted for in GBA pricing determination. Has this been identified and separated from metered usage vs releases numbers.