

QCA irrigation workshop: 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): Callide Valley WSS, Three Moon Creek WSS and Upper Burnett WSS

Location: Monto

Date: Thursday 26 September 2019

Pricing framework

- Query whether the QCA considers the need for water versus the transitioning to cost reflective prices policy.
- Concern raised about Callide Valley's current price being significantly below the cost reflective level, and what this means for future price increases.
- Concern raised at the uncertainty regarding whether the government policy of transitioning to cost reflective pricing would continue in the future.
- Query whether the QCA takes into account the multiplier effect agriculture has on the economy. A general view was we should give greater weight to the multiplier effect in our final report.

Apportionment of dam safety upgrade capital expenditure

- Some stakeholders proposed the QCA should consider the role of dams acting as sediment traps, therefore protecting the reef. This benefit is shared by the community so the cost should also be shared.

Costs

- Electricity costs
 - View expressed that the QCA needs to look closer at individual bulk scheme electricity costs, rather than uniformly apply an approach. In particular, for Three Moon Creek WSS where AECOM's cost estimate was lower than Sunwater's but we accepted Sunwater's costs.
 - Query as to whether the QCA considered electricity sector profits when recommending irrigation prices.

Draft prices

- Concern raised about using an average water usage estimate, as there was no water for some years and entitlements have changed.
- Query as to how the QCA assessed capacity to pay in recommending its draft prices. View expressed that the QCA should voice more strongly their capacity to pay concerns in the final report.
- View expressed that writing a submission will not make any changes to the QCA's final report.