

## **THIRD 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 these issues and views. As appropriate, issues will be addressed in the Authority's reports].

**Scheme:** Bowen Broken River WSS

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### **Regulatory Framework**

#### ***Risks***

- A price cap is acceptable this time although last time a revenue cap was in place.
- Forecast revenue for 2007-11 was only \$19,000 out, which meant previous estimates were accurate.

### **Pricing Framework**

- The two part tariff structure was supported.

### **Renewals Expenditure**

- A HUF of 0% for medium priority customers was supported.

#### ***SunWater Consultation***

- A greater degree of consultation with SunWater is supported, but it is noted that Bowen Broken WSS is a small scheme and does not currently warrant excessive and costly consultation.

### **Operating Expenditure**

#### ***Non-direct costs***

- The quantum of non-direct costs seemed expensive.

### **Prices**

#### ***Bulk Scheme***

- QCA had done a competent job and the recommended draft prices were broadly supported.

### ***Impact of Recommended Prices***

- Sought an outcome where the area / scheme be developed further as an irrigation area. However, there was recognition that cost of land and water in the Burdekin makes the Burdekin a comparatively attractive proposition for growing sugarcane.