

Corrections to the rural irrigation price review 2020–24 final report

In our final report, we recommended prices for the period 1 July 2020 to 30 June 2024 for 60 irrigation tariff groups across the water supply schemes (WSSs) and distribution systems operated by Sunwater and Seqwater. We have recently become aware that there are minor errors in the recommended prices for one of these irrigation tariff groups—the 'North Branch – Risk A' tariff group in the Upper Condamine WSS.

A modelling error resulted in the recommended Part A (fixed) prices being overstated for this tariff group over the price path period, while the Part B (volumetric) price for this tariff group was understated for the first year only of the price path period (2020–21). The table below provides a summary of the incorrect prices, as well as the corrected prices for this tariff group.

Table 1 Corrections to recommended prices for Upper Condamine—North Branch – Risk A tariff group

<i>Recommended prices (Table 81 of QCA's final Part B report)</i>	<i>Price</i>	<i>Final report (\$/megalitre)</i>	<i>Revised (\$/megalitre)</i>	<i>Difference (\$/megalitre)</i>
2020–21	Part A	14.30	13.44	–0.86
	Part B	17.35	18.21	0.86
2021–22	Part A	14.62	13.44	–1.18
2022–23	Part A	14.95	13.56	–1.39
2023–24	Part A	15.29	13.86	–1.43

Note: These recommended prices also feed through to the bill impact tables (Tables 78 and 110 in the QCA's final report).

This modelling error also carried through to the lower bound, cost-reflective Part A (fixed) prices for the three tariff groups in the Upper Condamine WSS. In addition, there was an error in the calculation of the lower bound, cost-reflective Part A (fixed) price for one tariff group (Redgate Relift) in the Barker Barambah WSS. The Part B prices (volumetric) for all of these tariff groups are unaffected by the errors and are correct.

Table 2 Corrections to 2020–21 cost-reflective fixed (Part A) prices

<i>WSS/tariff group/Part B report table</i>	<i>Final report (\$/megalitre)</i>	<i>Revised (\$/megalitre)</i>	<i>Difference (\$/megalitre)</i>
Upper Condamine—Sandy Creek or Condamine River (Table 70)	16.79	15.46	–1.33
Upper Condamine—North Branch (Table 70)	16.86	15.53	–1.33
Upper Condamine—North Branch – Risk A (Table 73)	14.30	12.97	–1.33
Barker Barambah—Redgate Relift (Table 73)	43.85	48.62	4.77