

File Ref: 1389539

11 October 2019

Mr Darren Barlow
Chief Executive Officer
Gladstone Area Water Board
PO Box 466
Gladstone Qld 4680

Dear Mr Barlow

Notice to produce information under section 185 of the QCA Act

As you are aware, pursuant to a referral notice dated 28 June 2019 issued by the Deputy Premier, the Queensland Competition Authority (QCA) commenced a price monitoring investigation into the monopoly business activities of the Gladstone Area Water Board (GAWB) under section 23A of the *Queensland Competition Authority Act 1997* (QCA Act).

On 30 September 2019, GAWB submitted its regulatory proposal to the QCA for the 2020–25 price monitoring period.

Prior to that, on 6 September 2019, the QCA issued a non-statutory request for information to GAWB staff, seeking specific documents and models to support GAWB's regulatory proposal, some of which have been recently provided, by way of GAWB's response of 3 October. The QCA appreciates the information provided to date and understands that the outstanding information will be provided in the near future.

Included in the 6 September request for information was a request for copies of GAWB's current customer water supply contracts. As part of its price monitoring investigation, the QCA requires this information to form a view, among other things, on the reasonableness of GAWB's demand forecasts, and therefore its proposed prices for the 2020–25 period.

In the 3 October response, GAWB staff requested that the QCA issue a notice to GAWB under s. 185 of the QCA Act in order to obtain copies of customers' water supply contracts, so as to enable GAWB to comply with its confidentiality obligations under those contracts.

Consequently, the QCA has decided to exercise its power under s. 185 of the QCA Act to require you to:

- (a) give a statement setting out stated information to the QCA; and/or
 - (b) produce a stated document to the QCA
- on or before a stated day.

In reliance on the QCA's powers under s. 185 of the QCA Act, and so that the QCA is able to inform itself of matters relevant to its assessment of GAWB's regulatory proposal, the QCA hereby gives written notice to you to produce

copies to the QCA of all GAWB's current water supply contracts (complete and unredacted) by close of business on **Tuesday, 15 October 2019**.

For transparency, this letter will be published on the QCA website, along with a short stakeholder notice.

Inquiries regarding this notice should be directed to Ms Clotilde Bélanger on (07) 3222 0587.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Charles Millstead', with a stylized flourish at the end.

Charles Millstead
Chief Executive Officer