

## 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 draft report.]*

**Scheme/(s):** Cunnamulla WSS

**Date:** Friday 15 February 2019

### Pricing framework

- It was noted that the Cunnamulla water supply scheme was the farthest west in Queensland and that some years they do not get a flow.
- Typically, water flows from April and while irrigators may initially receive 100 per cent allocations during this period, this typically only lasts for a couple of months before allocations are revised down to 60 per cent or less at the beginning of the water year.
- The ability of irrigators to pay for water services was questioned given the harsh and variable conditions; stakeholders are keen to ensure the sustainability of the community. The current rules and regulations don't match the conditions.

### Tariff structure

- When irrigators first bought into the scheme the tariff structure was split 50/50 between fixed and variable to mitigate the river not flowing. Changing the tariff structure to a 90/10 fixed and variable split puts pressure on irrigators to grow something to pay for the water cost.
- The change in tariff structure has been damaging and has put risk back onto irrigators. The 90/10 tariff split where water supply is variable puts 90 per cent of the risk on irrigators.
- While stakeholders understand that overall costs need to be recovered, when they signed up the tariff structure was 50/50; the licence conditions have changed since then. The change in risk distribution has been of detriment to irrigators.

### Public interest matters

- Social welfare considerations should be emphasised. For example, local council looks at the ability of rate payers to service water bills when looking at fees and charges.
- Current conditions are extraordinary and they are experiencing a rough time.