

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): Dawson Valley WSS

Date: Tuesday 12 February 2019

Pricing framework

- One stakeholder felt that they shouldn't have to pay a fixed charge when there is low or zero announced allocations.
- One stakeholder noted that historically the Glebe Weir tariff group had lower prices as water allocations associated with this tariff group were considered to be less reliable.

Dam safety upgrade capital expenditure

- Stakeholders want to know how the recent Townsville floods will affect dam safety upgrades. It is of stakeholders view that dam safety upgrades do not necessarily make a dam safer, changing climatic conditions mean that a one in one hundred year event could now become a one in fifty year event.
- Concerns were raised that the cost of dam safety upgrades may be more than the cost of the original dam.
- Stakeholders were of the view that they gained no benefits from dam safety upgrades.
- Stakeholders wanted to know how the QCA will allocate the QCA regulatory fee component of assessing dam safety upgrade costs if a scheme does not have any scheduled upgrades.

Inspector General Emergency Management (IGEM) review costs

- Stakeholders want to know if the Townsville floods will create more IGEM like costs.
- Stakeholders did not agree with IGEM costs being allocated according to number of referable storages. Dawson's only referable storage is the Moura Offstream Storage, for which stakeholders do not gain any benefit as it was built solely for the purpose of supplying an ammonium nitrate plant.

Electricity costs

- Stakeholders want to know how the QCA are going to make sure electricity prices are efficient.

SunWater's proposed costs

- Stakeholders were concerned by the big increase in the renewals annuity from the previous price path and want to know what upgrades are causing this.
- Stakeholders want reassurance that SunWater is going to complete the renewals it is proposing to incorporate in prices.
- Stakeholders believe that they do not get any benefit from the Moura Offstream Storage as it was built solely for the purpose of supplying an ammonium nitrate plant. Irrigators should not have to pay for the costs associated with this asset, as they never asked for it.

Public interest matters

- One stakeholder questioned whether the QCA would consider the combined water bill impact of Part A and Part B (charged by SunWater) and Part C and Part D (charged by Theodore Water).