

FIRST 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 them. As appropriate, issues will be addressed in proposed Issues Papers and in the Authority's reports].

Scheme: **Barker Barambah**

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Process Issues

- The Authority should consult with smaller groups of irrigators and hold several meetings in the scheme for subsequent consultation rounds.
- The time allowed for the price review is too short and should be extended. The timeframe does not allow adequate time to make submissions and to respond to SunWater's submission, the issues papers and the draft prices which are due to be released by the Authority by 31 January 2011.
- Irrigators confirmed that the Authority will be recommending prices to Government and that Government will be making the final decision.

Technical Issues

- Sufficient detail should be made publicly available to allow irrigators to review the proposed maintenance costs and assess them for prudence.
- Costs relating to dam safety, recreational costs and advertising should not be passed on to irrigators. Recreational costs should be paid for by those that derive a recreational benefit.
- Environmental flows should be paid for by Government.
- Due to different Government policy, irrigators in NSW will have a competitive advantage over Queensland irrigators as NSW irrigators will have cheaper water.
- Irrigators should not be required to pay for water (through a fixed part A charge) that is not or cannot be delivered.
- SunWater have assets across all of Queensland which will be experiencing different levels of water availability. SunWater should seek to recover its costs on a Statewide level rather than a scheme level each year. This way, irrigators would not need to pay such a high proportion towards the fixed component.
- Irrigators considered that basing asset values on capacity to pay is designed to extract the highest price that irrigators can bear.
- The scheme was built for regional development purposes and Government should not now be seeking to achieve a rate of return on these assets.

Scheme Specific Issues

- The Murgon Council is not charged by SunWater for extraction of all/some of its supply. This impacts on the reliability of water for irrigation. Irrigation customers should not need to cover the costs associated with the supply to Murgon Council.
- The spillway is a contributed asset and should not be included in the asset base.