

THIRD 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 these issues and views. As appropriate, issues will be addressed in the Authority's reports].

Scheme: Callide Valley WSS

Date: 7 December 2011

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Renewals Expenditure

Specific Renewals Items

- The “Replace Switchboard – Main Switch House and Callide Dam” expenditure has not occurred and needs to be removed from the price.
- The public Safety Strategy (fencing policy) has been ineffective and has not stopped cattle from getting in.

SunWater Consultation

- Extra consultation with customers will be expensive.
- Irrigators expressed frustration that the central office service is poor.

Operating Expenditure

Non-direct costs

- 49% of non-direct costs is considered too high and a question arises as to whether these costs will increase over the regulatory period.
- The definition of non-direct activities is required.

Electricity Costs

- The electricity forecast in five years is likely to be incorrect.

Prices

Variable charge

- Most of SunWater's costs are fixed. SunWater has no delivery costs.

Impact of Recommended Prices

- If customers cannot use much water then the cost per ML of actual use will increase.

- Irrigators may be unviable if SunWater's costs keep increasing.

Other

- Customers should be able to check their own meters.
- Questions were also raised regarding:
 - who is paying for the QCA review;
 - whether SunWater costs are inappropriate;
 - the implications of a change in Government?