

## STAKEHOLDER NOTICE

14 March 2023

### Rural irrigation prices from 1 July 2025—review to commence

#### Background

The Queensland Government has directed the Queensland Competition Authority (QCA) to review the irrigation pricing practices of Seqwater and Sunwater. We received a referral to conduct the review under sections 23 and 24 of the *Queensland Competition Authority Act 1997* (QCA Act).

The purpose of the review is to recommend irrigation prices for the four-year period from 1 July 2025 to 30 June 2029. The government will take our price recommendations into account before determining the prices that the businesses can charge.

With the release of this notice, we announce that we intend to conduct a review.

#### Principles guiding the review

We are required to provide our price recommendations in accordance with requirements set out in the referral. The main requirement is that irrigation prices are to transition towards a price target that recovers costs allowable under the referral, in accordance with the government's pricing principles. At a high level, allowable costs reflect the irrigation share of a scheme's prudent and efficient costs but exclude allowances for the initial costs of assets constructed before 2000 and dam safety upgrade capital expenditure. We are also required to recommend prices for ancillary services (for example, water harvesting services), where those services are provided by the water businesses.

In conducting our review, we must consider a diverse range of matters in the QCA Act and the referral. Our review will be informed by our assessment of the businesses' pricing proposals and stakeholder comments and feedback throughout the review.

#### Review process and key dates

We have advised the water businesses of our intention to commence a review, and they will develop their pricing proposals over the next several months. We expect their proposals to be informed by meaningful stakeholder engagement and to include the information we require to undertake an effective assessment. The proposals are due by 30 November 2023.

After we receive the proposals, our consultation process will formally begin with stakeholder workshops in early 2024. We will provide further information about the workshops closer to the time. Following the workshops, we invite stakeholders to make submissions on the businesses' proposals and any other issues considered relevant to our review, by **29 February 2024**.

We will provide several opportunities for stakeholders to provide their views throughout the review.

**Figure 1 Indicative timetable for the review**



## How to make a submission

We prefer to receive submissions electronically via our [online submission form](#).

Alternatively, you can send your submission to:

Rural irrigation price review 2025–2029  
Queensland Competition Authority  
GPO Box 2257  
Brisbane QLD 4001

Submissions do not necessarily need to be detailed or comprehensive—brief comments on specific issues are also welcome. We also welcome collaboration between stakeholders to provide joint submissions on an issue. Wherever possible, stakeholders should provide evidence to support their statements.

Before making a submission, please ensure you have read our [submission policy](#).

## More information about the review

We have published a guidance paper to provide stakeholders with more information about our review, and a separate paper for the businesses, which sets out our expectations for their pricing proposals. Both papers are available on our [website](#).

To keep up to date as our review progresses, please regularly check our website or [subscribe](#) to receive email alerts.

If you require further information, please use the [contact form](#) on our website or phone (07) 3222 0555.