

## Review of RAB-based irrigation prices 2027-29 Bundaberg workshop – summary of issues raised

*This note records issues identified and views expressed by stakeholders present at the QCA's initial workshop for this review. 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.*

**Schemes:** Bundaberg

**Date of workshop:** 16 March 2026

Topic	Issues raised
Customer engagement	<ul style="list-style-type: none"> <li>In assessing support for the RAB approach, some stakeholders suggested that greater weighting should be given to the views of larger irrigators.</li> <li>Some stakeholders also commented that the differences between the RAB and annuity approaches had not been explained in a way that was easy to understand.</li> </ul>
Asset planning and management	<ul style="list-style-type: none"> <li>Som stakeholders said that they valued the annual service and performance plan process and the long-term asset planning associated with the renewals annuity approach. They were concerned that this level of planning and transparency may not continue under the RAB approach.</li> </ul>
Asset revaluations	<ul style="list-style-type: none"> <li>Some stakeholders were concerned that that asset revaluations or extensions to useful asset lives under the RAB approach could benefit Sunwater.</li> </ul>
Rate of return	<ul style="list-style-type: none"> <li>Some stakeholders considered that the cost of debt would be a more appropriate rate of return for government-owned irrigation businesses.</li> <li>A stakeholder suggested that the QCA consider a hybrid RAB approach with no return on equity or tax allowance.</li> <li>Some stakeholders also expressed concern that earning a return on capital could create a strong incentive to spend more capex.</li> </ul>
Price stability	<ul style="list-style-type: none"> <li>Some stakeholders were concerned that the RAB approach could result in an initial price reduction followed by price increases in later years.</li> </ul>