

## Review of RAB-based irrigation prices 2027-29 Gatton 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:** Central Lockyer Valley, Logan River, Lower Lockyer Valley

**Date of workshop:** 10 March 2026

Topic	Issues raised
Allowable costs	<ul style="list-style-type: none"> <li>Some stakeholders sought clarification on the scope of capex to be included under a RAB approach.</li> </ul>
Asset planning and management	<ul style="list-style-type: none"> <li>Some stakeholders expressed concern that there may be less visibility of long-term renewals under the RAB approach.</li> </ul>
Expenditure categorisation	<ul style="list-style-type: none"> <li>Some stakeholders sought clarity on the treatment of labour costs associated with renewals projects and on the replacement costs of existing assets.</li> <li>Some stakeholders were also concerned that recovering renewals opex on an as-incurred basis could lead to price volatility.</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>Some stakeholders expressed concern about the risk of gold-plating under the RAB approach given the incentive to earn a rate of return.</li> </ul>
Price stability	<ul style="list-style-type: none"> <li>Some stakeholders expressed concern that the RAB approach could lead to an initial price reduction followed by increases in later years.</li> </ul>