7 August 2026

Bundaberg Regional Irrigators Group
Representing member irrigators in the Bundaberg Irrigation Area

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Queensland Competition Authority
GPO Box 2257
BRISBANE QLD 4001

Online: www.qca.org.au/submissions

Dear Sir/Madam

Re: Review of RAB-based irrigation prices 2027–29

Access to affordable irrigation water is extremely important to the Bundaberg Region.

Intensive irrigated agriculture accounted for $1.207 billion dollars of gross value in the Bundaberg regional council area in 2024/25 or 10.5% of the total production for the region.

Value adding by food product manufacturing added a further $656 million or an additional 5.7%.

For the total Bundaberg economy worth $11.447 billion dollars, irrigated agribusiness contributed almost $2 billion. (https://economy.id.com.au/rda-wide-bay-burnett/output-by-industry?sEndYear=2019&WebID=100)

SunWater accounts for around 65% of the irrigation water applied to farms in our region and we consider SunWater to be a critical supplier to our various production functions.

Because of the importance to our businesses, we have allocated considerable time and money over the past 25 years to understanding the Bundaberg SunWater Scheme and can demonstrate that knowledge down to a pump station level.

Our involvement has included the Local Management Arrangement Investigations, various regulated price path reviews undertaken by Queensland Competition Authority (QCA), Service and Performance Plans, Irrigation Advisory Committees and, more recently, the RAB vs Renewals Annuity process.

We have met with and workshopped and agreed the contents of this submission with around 90,000 ML or around 60% of the nominal allocation by volume in the scheme.

Not one irrigator has been in favour of changing from an annuity.

We are opposed to changing to a Regulatory Asset Base (RAB) approach to recover renewal and refurbishment costs and have a preference to retain the annuity approach.

- In our view the scope and purpose of the review remain unclear
- We have significant concerns about asset planning, forecasting and management under a RAB
- We have concerns about the rate of return under a RAB approach
- We are apprehensive that a RAB will encourage incentives for over-investment and gold plating
- Our irrigators support the price stability and intergenerational equity attributes of annuity

BRIG's position continues to reflect the view that a Renewals Annuity approach:

- Provides more stable and predictable pricing outcomes
- Supports long-term planning and transparency
- Aligns more closely with Lower Bound Pricing principles
- Promotes a more balanced sharing of costs between current and future irrigators
- Supports intergenerational equity by avoiding the deferral of costs to future irrigators, helping maintain long-term productivity and regional growth in alignment with Prosper 2050.

Please call should you require further information or clarification.

Yours faithfully

Dale Holliss
Director
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