



RURAL WATER SUPPLY

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Queensland Competition Authority
GPO Box 2257
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To Whom It May Concern:

Irrigation Prices for Seqwater Schemes: 2013-17

We would like to provide the following as our submission relating to issues which we believe should be addressed by the above investigation by the Queensland Competition Authority.

We have recently been confirmed as a continuing Category 2 Water Authority covered by the Water Act 2000 and Part 2 of the Water Supply (Safety & Reliability Act) 2008. Established in 1967 by Order in Council, the Glamorgan Vale Water Board has continuously provided reticulated non-potable water for stock and domestic use to 544 landholders within its Gazetted Area.

The Glamorgan Vale Water Board operates with the philosophy that it is a benevolent not for profit basis with all surplus income directed back into scheme for renewals and extensions. Historically the board of directors has kept rates at an absolute minimum this in conjunction with staff continuously below budget costs keeps rural water affordable for ratepayers. This affordability helps to maintain the sustainability of the area as well as promoting the introduction of new rural pursuits in the Glamorgan Vale area and its surrounds

We have been able to provide a high level of service and maintain a large amount of infrastructure including reservoirs, pumps, pipelines, re-lift stations and telemetry equipment while operating on a benevolent not-for-profit basis. Internal control measures implemented allow us to attend reported faults and breakages within a two hour time frame; a contracted maintenance officer is also available 24 hours a day, 7 days a week to attend weekend callouts.

The scheme accesses water from the Brisbane River at Vernor and Borallan. The pump site at Vernor was established prior to the building of Wivenhoe Dam and with subsequent expansions a second site was built at Borallan.

Previous existing entitlements

Historically the Glamorgan Vale Water Board has not received a charge for water use from the Brisbane River as the supply is for stock and domestic use. Upon development of the dam wall it was written in s15B of the *Water Resources Regulation 1999 (reprint 11th October 2000)* that:

(4) The company must make available from the company allocation to the Glamorgan Vale Water Board, free of charge, 250ML a year for use for the Glamorgan Vale Water Supply Area.

(5) The company must make available from the company allocation, free of charge-
(a) a sufficient volume of water, but not more than an aggregate of 7000ML a year, to meet the right to water of licensees authorised under licences issued under part 4 of the Act to take water for irrigation purposes from the Brisbane River between the Wivenhoe Dam and Mt Crosby Weir, and

All subsequent agreements and contractual arrangements between Glamorgan Vale Water Board and either SEQ Water and or the SEQ Water Grid Manager have adhered to this principle whereby, the Glamorgan Vale Water Board has not paid for the first 250ML of water, charges are produced for each megalitre or part thereof over this amount at an agreed price.

Since the introduction of the Resource Operation Plan the Glamorgan Vale Water Board is classed as a High Priority A with 250ML water allocation.

Previous decisions by QCA with regards to legacy arrangements

In previous pricing framework decisions the QAC considers that if there is evidence of legacy contractual arrangements or a pre-existing right to water which needs to be preserved then this may continue.

In your report titled “SunWater Irrigation Price Review 2012-17 – Volume 2 – Upper Burnett Water Supply Scheme”, Executive Summary page 40, there is a section which reads;

“(c) SunWater should continue to bear the costs of legacy arrangements for free water. By contrast pre-existing rights to free water should be maintained where they continue as part of a current agreement, or current legislation or Government policy.”

For the area of the Central Brisbane River, we would like to be considered in a wider public interest context and that the legacy agreement should continue. Directors of the Glamorgan Vale Water Board believe that it is vital to being able to provide a high quality, low cost service to our ratepayers on a not for profit basis. Any increases in costs will be passed on therefore placing undue financial pressure on households and stifling any new rural pursuits in the district.

Response to: SEQ Water rural water Supply Network Service Plan For the Central Brisbane River Supply Scheme.

- Capital and Operational Costs have not been expended for the benefit of the Glamorgan Vale Water Board in that the board has benefited from river flows prior to Wivenhoe Dam being built.
- Inclusion of cost incurred from the Somerset Dam should not be included “because it is in the ROP” this reasoning is written around an alleged benefit that Glamorgan Vale Water Board would never access. Is it fair and reasonable to expect that a trading of water ability would be undertaken when the likelihood will never occur as we are sustainable without the need for water from Somerset Dam or identities upstream?
- Recreational costs should be borne by the users with permits reflecting full cost recovery. Recreational use is limited due to water quality.
- SEQ Water does not guarantee the water quality below the dam wall and therefore not a reasonable cost inclusion.
- Non direct costs listed on page 18 do not assist the Glamorgan Vale Water Board as the board can still access water from the natural river course regardless of whether Wivenhoe Dam or Somerset Dam are built.
- On a number of occasions after, our requesting, we have been advised that water quality is not guaranteed below the Wivenhoe Dam wall. If this is the case is it fair and reasonable to expect the Glamorgan Vale Water Board to incur costs associated with water quality testing, data management and catchment management.

We would appreciate if you would give due consideration to our situation and take it into account when formulating your report. We look forward to reading your completed Draft Report in November 2012.

Yours truly,

Doc Hannah
Chairman

For **GLAMORGAN VALE WATER BOARD**