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From: Ian & Debbie Jackson [<mailto:jacksonid@bigpond.com>]

Sent: Monday, 9 January 2012 5:59 PM

To: Water (External)

Subject: Chinchilla Weir

ATTENTION: George Passmore & Matthew Rintoul
I.R. & D.A. Jackson,

“Riverslea”,

CHINCHILLA, Qld. 4413

RE: Round 3 Consultation, 5th December 2011, Chinchilla.

REF: Sunwater 2012-17 Irrigation Price Review Chinchilla Weir (George Passmore & Matthew Rintoul - November 2011).

After attending the meeting in Chinchilla, I concluded that details of the activity of the Chinchilla Weir Scheme was not fully understood by the Queensland Competition Authority Delegates. i.e. a) the historical reliability of the Chinchilla Weir Scheme, and b) length of announced allocation.

Firstly, over the past 15 years irrigators have had lengthy periods of little or no allocation, and secondly, some allocation announcements being made of less than 3 months of irrigation useage (e.g. announced today, to be used before the end of March). This makes the proposed increase of Part A (Refer to above REF - Chinchilla Cost-Reflective & Recommended Prices \$/ML) to approximately 90% of the charge, being a big expense to irrigators, when no water is available.

I would also like to comment about the intended use by Sunwater of the Chinchilla Weir for distribution of the QGC Coal Seam Gas water. Another factor the authority did not consider when pricing the Chinchilla Weir Scheme. My understanding of the working process for the QGC/Sunwater Scheme is as follows - water is pumped into the Condamine River (approx. 1 kilometre upstream of the Chinchilla Weir), thus allowing water to be transferred using the backup of the Chinchilla Weir for upstream irrigators. Also, water will be released to downstream users, using the valve at the Chinchilla Weir, similar to the Chinchilla Weir Scheme users. This Sunwater/QGC Scheme is using the assets of the Chinchilla Weir (in which Part A is based on), as much, if not more than the Chinchilla Weir natural water scheme. (When I say, if not more, I am referring to the times when irrigators have no announced allocation, the Coal Seam Gas water irrigators will still be using the Chinchilla Weir Scheme assets).

May I also make the point that I have been informed that the Coal Seam Gas water must be retained within the Chinchilla Weir Scheme area. No water pumped into the Chinchilla Weir, may go any further downstream than the last user of the Chinchilla Weir Scheme. All Coal Seam Gas water pumped into the weir must be extracted by the Coal Seam Gas water users within 7 days, and cannot be stored for longer in the Chinchilla Weir. This means the reliability of the Chinchilla Weir Scheme will not be increased.

Over the past seven years we have been told our water charges have been increasing based on a USER PAYS philosophy, with this in mind, every megalitre of water extracted by irrigators, whether natural or Coal Seam Gas water should pay the same amount towards the maintenance and running of the Chinchilla Weir. Another point of this proposed pricing is how Sunwater can justify charging the \$29.08 per megalitre for Part A for the Chinchilla Weir Scheme water (if adopted), and only \$3.75 per megalitre for the Coal Seam Gas water. When the same costs are incurred in reading metres, maintenance of the asset (Chinchilla Weir), billing etc. will be the same per megalitre whether the water flows into the Chinchilla Weir pond or via the Coal Seam Gas pipe.

In closing I would like the authority to take into account the following points when pricing the Chinchilla Weir Scheme. 1. The reliability of the Chinchilla Weir, 2. Length of announced allocation by Sunwater, 3. The use of the Chinchilla Weir Scheme assets by Sunwater to convey water to irrigators of the Coal Seam Gas water.

To maintain the Chinchilla Weir operational finances I believe the Chinchilla Weir Scheme users and the Coal Seam Gas Scheme users should pay equally per megalitre.

Yours sincerely,

Mr Ian Jackson.

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