

THIRD ROUND CONSULTATION – ISSUES ARISING

[This note records issues identified, and views expressed, by stakeholders present at the meeting. The Authority is yet to form any opinion on these issues and views. As appropriate, issues will be addressed in the Authority's reports].

Scheme: Barker Barambah WSS

Date: Tuesday 22 November 2011

QCA Contact: Matthew Bradbury (07) 3222 0575 or matthew.bradbury@qca.org.au

Pricing Framework

Low water usage & reliability

- During the 2000-06 period water usage was much higher than 2006-11. This was in part due to the 600ML of high priority and 2000ML of medium priority that was added into the scheme despite no additional water being available. In addition, the implementation of critical water sharing arrangements (CWSA) also lowered reliability in this scheme.
- The savings in loss entitlements due to increased efficiency have been transferred to SunWater, who have leased the entitlements, which further reduces the reliability of irrigators' water access entitlements (WAEs). Efficiencies should go to water owners not SunWater.
- Suggestion that there may be scope for different levels of reliability within the tariff groups in the scheme.
- In previous years, after annual allocations were announced, the CWSA came into effect and irrigators have had their water cut-off. Irrigators stated that under the Water Act, SunWater was liable for undelivered announced allocations, but that the CWSA overrides that liability.
- In previous years allocations were over-announced, and then the council asked irrigators to surrender their allocations to be replaced at a future date, which has not yet occurred.
- Suggestion that adding WAE to the scheme could breach of the Water Act. 700 additional MP WAE provided to South Burnett Council by DERM in addition to the 598 of paid HP water and 1600 of free allocation.

Renewals

- Large negative balance could be a bookkeeping discrepancy because costs are above lower bound, but not enough money was put aside for recovery of previous renewals.
- Above lower bound revenue should be used to offset negative ARR balances.

Opex

- As SunWater sponsor rodeos and other events, irrigators sought to know whether they are paying for that as part of non-direct costs. The view was put that SunWater does not need to advertise as it is a monopoly.
- Benefits of fishing are not passed through to irrigators, despite large benefits to local economy.
- SunWater should shut down recreation areas or charge admission to recreation areas. Irrigators should not be funding recreation costs.
- Costs this year to recreation areas is \$70,000, transferring this cost to council would save \$1/ML.

Other

Community impact

- Water use will increase now because the dam is full, but past low water use has hurt the community.
- Flood damage has also affected water use.
- Power and infrastructure costs are hurting water users.
- Irrigators considered that they had experienced potential injustices over the years including SunWater reclaiming loss water, and the local government owing water to irrigators.
- It was questioned how such issues will be addressed if the QCA does not address them as part of this review.