

2 February 2016

Your ref: 10050000
Contact: Office of the CEO

Professor Roy Green
Chair
Queensland Competition Authority
GPO Box 2257
Brisbane Qld 4001

Dear Professor Green

2016 QCA FEE FRAMEWORK SUBMISSION

Thank you for your letter dated 11 January 2016 inviting submissions in response to the Fee Framework applicable for price monitoring of Council's water business for 2016-2017.

Whilst Council acknowledges the important work done by the Authority, the level of fee should be aligned to the volume of work required for each entity.

Council does not agree with the equal apportionment of fees to individual entities as this calculation methodology severely disadvantages a small water distributor/retailer such as Redland City Council and, in our view is not reflective of the actual cost input by the authority in reviewing our pricing and costs.

Council believes that the calculation methodology should be based on revenue or the number of connections or some similar driver reflecting the size of the entity. This methodology would enable an equitable apportionment by Redland City Council in comparison to large water distributors such as Queensland Urban Utilities and Unity Water.

Council would welcome a review of the proposed fee framework based on the principles of fairness and equity having regard for the size of our water business.

I look forward to a favourable outcome for Council.

Yours sincerely



Bill Lyon
Chief Executive Officer

cc Gary Soutar, General Manager Infrastructure and Operations
Deborah Corbett-Hall, Acting Chief Financial Officer