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Professor Flavio Menezes  
Queensland Competition Authority  
GPO Box 2257  
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Qld 4001

15th September 2024

Attention: Darren Page - Project Manager

**RE: Central Lockyer and Lower Lockyer Schemes 2025-2029 Price Path.  
Supplementary Submission - Scheme Performance**

Dear Darren,

Thank-you for making your time available to visit the Lockyer Valley on Tuesday 30th July and conducting a workshop with irrigators. This is an additional supplementary submission and is on behalf of the Lockyer Valley Irrigators in the following water supply schemes constructed and owned by the State of Queensland and operated and managed by SEQWater being Atkinson Dam, Lake Clarendon, Mortonvale Pipeline, and Lake Dwyer. The purpose of this supplementary submission is to address scheme performance.

Irrigators only have a single issue to raise in the 2025-2029 price path review with the QCA, being the injustice of having pay escalating Part A fixed charges and receiving no water to generate an income.

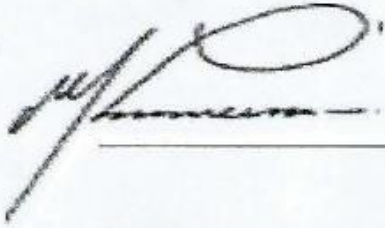
We wish to clearly clarify that from the irrigators perspective, the yield of a scheme using the QCA's 20 year average metric and the performance of a scheme are one in the same and should be treated as such. From further discussions with the Department of Regional Development, Manufacturing and Water, it was identified that in the State of Qld, the minimum acceptable performance measure for irrigation dams to perform to is 33% of their holding capacity. This means the long term performance of Atkinson Dam with a 20 year average yield of 4.81% is significantly below this standard and design specification.

Dams with poor performance yields (below 30%) in Qld are therefore below dead shortage levels more frequently than just in a drought declaration.

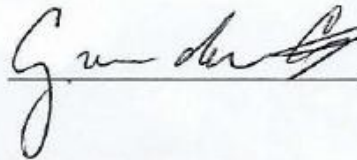
The recommendation from Lockyer Irrigators is, ***"develop a new pricing policy for underperforming water assets in Qld that take into consideration the long term underperformance"***, with the following considerations:

- Suspend Part A charges when there is no water delivery or a region is under drought declaration.
- Irrigators cannot pay for Part A charges when they cannot generate and income.
- Contrary to modern economic theory, irrigators cannot pass on the ever increasing water charges and costs to the market.
- Unless policy is reviewed and updated to reflected reality, the Qld Government will end up with stranded assets and be worse off.

Based on the discussions with you at the workshop, we are hopeful our concerns will be formally acknowledged in the QCA report, resulting in further discussions with the Department of Regional Development, Manufacturing and Water, QFF, and Lockyer Valley Irrigations. We look forward to the inclusion of the QCA in these discussions at the appropriate time after the 2025-2029 price path final report and recommendations have concluded.



Paul Emmerson  
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Lockyer Water Users Forum



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CEO/Secretary  
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Greg Banff  
Treasurer  
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