

Your Ref 302137

MS 979,
Monto Q 4630
21st March 2011.

Queensland Competition Authority,
GPO Box 2257,
BRISBANE 4001.

Dear Louise,

Re: Sunwater Irrigation Prices – Three Moon Creek.

I respectfully request that you take into consideration the following points when you make your recommendation on irrigation prices to apply to Sunwater supply schemes for the five years commencing 1 July 2011:

1. **RELIABILITY OF SUPPLY** – The infrastructure provided by Sunwater on Three Moon Creek includes Cania Dam and a number of small weirs. Cania Dam was constructed in 1982 and spilled for the first time on 28th December 2010. The fact that the dam is now full is still no honest indication of the continued reliability of the supply. The quantity in the dam determines the amount of water, if any, that is released for surface water irrigation or the recharge of the underground. If the underground is recharged sure the water is there for later use as a more expensive irrigation option. Most irrigators can only draw on the surface water whilst the release from Cania Dam is being conducted as the capacity of water holes in the creek is very limited.
2. **COST SHARING** – Irrigators are not the only people that are affected by the SUNWATER facility. The town of Monto draws its water supply from the aquifer adjacent to Three Moon Creek. Tourism and Recreation (fishing included) also takes place in the Cania Dam / Cania George area. In some way I consider that Tourism and Recreation should bear some of the cost and not all the costs imposed upon the irrigator. I am not suggesting a new tax should be imposed on Tourism / Recreation (like departure tax and airports) but general taxation should be apportioned in that direction
3. **USABILITY OF SURFACE WATER** – Often water is released into Three Moon Creek at a time that is not always suitable to *surface* water irrigators. If water is released commencing early July that would generally be too late to plant a winter crop and too early to plant a summer crop. If the release commenced early September *surface* water irrigators may be able to plant a summer crop and supplement an earlier planted winter crop.
4. **COMMUNICATION DIFFICULTIES** – Irrigators can never be sure as to when surface water will be available for their use even though they are

informed of the commencement date, the quantity to be released, and the *expected* shut off date. The latest release was scheduled to commence on 31st May 2010, and it probably did, but water was not available to me until 5 weeks later. Water from previous releases would normally be available after 7 days approximately. Just imagine if an irrigator had planted expensive seed into dry ground expecting to establish to crop with irrigation in 7 days time. Perhaps the seed may not establish after 5 weeks and if it did it may not be at an ideal time (too late). Similarly the forecast of the end date can not be relied upon. From memory the duration two previous releases in recent consecutive years was no where near as long as suggested. This could lead to the situation where seed was planted into dry ground and no opportunity to irrigate it from surface water. Since these events when water stops flowing at their pump after a release commences irrigators are in a position where they do not know if the water has stopped flowing temporarily or their will be no more water until the next release.

5. SPONSORSHIP – From time to time Sunwater sponsor certain events. I can not see any value to Sunwater in this. Sunwater is not competing with anyone else to supply water.
6. RENEWING OF ASSETS – Given the unreliability of the scheme it is unlikely that the major asset of the scheme would be replaced once it has reached its use by date. This being so there should be no revenue stream to recover replacement costs.
7. PROFITABILITY – No doubt SUNWATER wishes to increase the price it charges for water to ensure its profitability. Irrigators are price takers and not price makers and can not simply pass on any cost increases imposed by SUNWATER. Irrigation water used in the Three Moon Creek area is not generally used for high value crops eg. Vegetables for the fresh market.

Taking the above into consideration I submit the charge for any Three Moon Creek water should be minimal.

Yours faithfully,

Robert Roth.