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20 January 2016

25 JAN 2016

DATE RECEIVED



Professor Roy Green
Chairman, Queensland Competition Authority
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BRISBANE QLD 4001

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Dear Professor Green

2016 QCA FEE FRAMEWORK CONSULTATION

Thank you for your invitation to respond to the Draft Fee QCA Framework to apply from the 2016-17 financial year. We submit the following comments for inclusion in your considerations.

Logan City Council, as a local government water service provider, is subject to the same regulatory oversight as all other local government water service providers. To have the additional burden of the economic regulatory framework for SEQ Water Entities Regulation is an unnecessary regulatory and financial impost. It is unclear to Council why additional regulation is required above that applied to all other local government water service providers in the state outside south east Queensland. As such, the difference between the Statutory Authority Distributor / Retailers as separate utilities and the local government water service providers such as Logan City Council should be recognised in the economic regulatory framework.

Council believes the current allocation of regulatory fees in south east Queensland is inequitable. This is due to each entity being required to pay the same fixed annual fee. QCA fees should reflect a fair and equitable regime based on the size of the respective water entity and the population size for which it provides services. As a result of the current fee structure, Logan City Council is paying a much higher economic regulation cost per customer than Queensland Urban Utilities, Unity Water and Gold Coast water service areas. This fee will be required to be passed on in customer bills as a result of increased operating costs which will unfairly impact pricing for Logan City customers as compared with the other water businesses above.

Should you have any queries in regards to this letter and/or Council's response to the Draft QCA Fee Framework please contact Daryl Ross, Water Business Manager, on (07) 3412 5359 or email darylross@logan.qld.gov.au.

Yours faithfully

A handwritten signature in black ink, appearing to read "Silvio Trinca".

Silvio Trinca
DEPUTY CHIEF EXECUTIVE OFFICER - ROAD & WATER INFRASTRUCTURE
(on behalf of Chris Rose, Chief Executive Officer)