sunwater

Contact: Lisa Welsh
Direct line: 07 3120 0140
Our ref: 2491993
Your ref:

4 November 2019

Mr Charles Millsteed
Chief Executive Officer
Queensland Competition Authority
Level 27, 145 Ann Street
BRISBANE QLD 4000

Dear Mr Milsteed

2020-24 Irrigation Price Review – submission to second phase consultation

Thank you for the opportunity to participate in the QCA's Irrigation price investigation for 2020-24. We have read the QCA's draft report, released as part of its second phase consultation and which includes draft recommendations to Government on irrigation prices for specified schemes between 1 July 2020 and 30 June 2024. We welcome the opportunity to provide feedback on this report. Our irrigation price review submission is attached.

Our submission accepts many of the assumptions supporting recommended prices. Where necessary, we have provided updated information to assist the QCA in making final recommendations.

There are several areas where we do not agree with the QCA's approach. Our main concern relates to the QCA's approach to forecasting operating expenditure recommended by its consultant. Our submission explains our concerns and proposed changes that we consider the QCA need to make in its final report to ensure Sunwater has sufficient revenues to maintain service delivery in the 2020–24 price path period.

We also outline several areas of the decision where the QCA's assumptions or calculations do not appear to be correct or substantiated. Our submission provides additional information to assist the QCA assess these areas of difference.

We look forward to continuing to work constructively and transparently with the QCA, customers and other stakeholders. Should the QCA require additional information on the issues identified in the referral notice or our submission, please do not hesitate to contact Lisa Welsh (07 3120 0140, lisa.welsh@sunwater.com.au).

Yours sincerely

Nicole Hollows
Chief Executive, Sunwater

Attachment: Sunwater Irrigation Price Review – Submission to QCA draft report