

Date: 13 September 2017  
Contact: Karen OBrien  
Location: Nerang  
Telephone: 07 5582 8050  
Your reference:  
Our reference: iSpot #64333684

Mr C Millstead  
Chief Executive Officer  
Queensland Competition Authority  
GPO Box 2257  
Brisbane QLD 4001

Dear Sir

### **South East Queensland bulk water price review 2018-21**

We welcome the opportunity to make a submission to the Queensland Competition Authority with respect to the South East Queensland bulk water price review for the 2018-21 period.

The cost of bulk water is our most significant business cost and makes up over 70% of the water usage charges paid by Gold Coast residents and businesses. Given this considerable impact on our customers, we believe it is important to ensure that the bulk water prices charged by Seqwater represent only its prudent and efficient costs.

Gold Coast Water & Waste (GCWW)'s primary concern on Seqwater's submissions is the proposed demand forecasts. Seqwater have adopted a 'low' forecast of 169 L/p/d that is lower than the estimated usage for 2016/17 of 173 L/p/d. While the estimated result for 2016/17 represents 'very dry conditions', GCWW is concerned that the forecasts prepared by Seqwater do not reflect the latest and most accurate view on customer demand. GCWW requests that the QCA undertake a detailed review of the demand forecasts provided by Seqwater including ensuring consistency between demand forecasts adopted and operational and capital expenditure proposals.

Please feel free to contact Karen O'Brien our Manager of Business Performance on (07) 5582 8050 if you wish to discuss our submission further.

Yours faithfully



Paul Heaton  
**Director Gold Coast Water and Waste**  
*For the Chief Executive Officer*  
Council of the City of Gold Coast