

MEDIA RELEASE

Gladstone Regional Council Bulk Water Prices

The Gladstone Area Water Board (GAWB) presented Gladstone Regional Council (Council) with two possible COVID-19 financial support packages in July 2020. These offers were not accepted.

Both offers took COVID-19 pressures into account and would have provided Council with significant financial relief. The proposed packages included an incremental price increase well below the final outcome of the independent Queensland Competition Authority (QCA) price review and represented about \$2 million in possible cost savings for Council.

Chief Executive Officer Darren Barlow said both GAWB proposals could have assisted Council to avoid or temporarily absorb any price increase and avoid the need to pass further costs onto the local community.

"Our offer was a direct attempt to ease the pressures of COVID-19 which was in addition to the Queensland Government's \$300 million household relief package which gives Queensland households \$200 off their utility bills," Mr Barlow said.

Since the pandemic began GAWB has also provided extensive financial support to the Gladstone community across the small business, tourism and agricultural sectors. This includes 12 months rent relief for all GAWB lessees, agistees and license holders, valued at more than \$300,000.

"GAWB works directly with a broad stakeholder group and we are committed to providing them with the support needed to recover from this pandemic," Mr Barlow said.

"We have also provided funding to the Gladstone Engineering Alliance to conduct business resilience training workshops with small to medium enterprises in the region.

"Any profit generated or taxes paid by GAWB goes back to the community, with 50% of all GAWB dividends or tax equivalents returned to Council as part of an agreement with the Queensland Government."

As Council did not accept either of the offers made for temporary relief, GAWB implemented the bulk water prices arising from the QCA's price review with minor amendments.

"GAWB is periodically reviewed by an independent regulator (the QCA) to ensure we operate prudently and efficiently and our prices are appropriate," Mr Barlow said.

"Following an independent review process, the QCA found GAWB to be operating generally prudently and efficiently.

"GAWB does not set end-to-end water prices for residential consumers in the Gladstone region – this is the responsibility of Council."

On Background:

The most recent price investigation by the QCA covered prospective bulk water prices for the 1 July 2020 to 30 June 2025 period. In early June 2020, the QCA published its Final Report on the investigation. GAWB's forecast capital program and operating expenditure was found to be broadly appropriate. Prices implemented from 1 July 2020 reflected the outcome from the QCA price review.

Both GAWB and the QCA undertook a robust public consultation process that all customers, the community and external stakeholders had the opportunity to participate in - including Council.

Ends.

For more information, please contact:

Grace Duckham (07) 4976 300/ 0438 673 776