



Logan River WSS

Scheme Performance Report 2023-24

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1. Introduction

The Scheme Performance Report (SPR, formerly known as the Network Service Plan) is a key component of Seqwater’s consultation with its customers and is intended to provide useful and helpful information. It provides a wholistic overview of scheme performance including historical water usage, budgeted and actual operational expenditure, forecasting operational expenditure, renewals and annuity fund balances.

Seqwater encourages comments and suggestions on the content of this SPR as this forms a valuable part of the scheme’s operations and planning process. Customers may provide feedback via phone, email or post:



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2. Our Scheme

The Scheme is located in the Logan River Basin and supplies bulk raw water to water allocation holders in the nine zones that comprise the Scheme. The scheme stretches along a 101.4 km length of the Logan River and along 27 km of Burnett Creek. It was designed to supplement natural flows for the fertile alluvial areas along Burnett Creek and the Logan River.

The Scheme is regulated under the Logan River Water Supply Scheme Resource Operations Licence (ROL) first granted in December 2009 and amended on the 16 February 2023

The ROL was amended in 2012 to include Wyaralong Dam as part of the scheme. A further amendment in 2014 included Christmas Creek and Running Creek. However, these two creeks, which are not supplemented by Seqwater’s infrastructure, do not form part of the Scheme.

The water year runs from 1 July to 30 June.

2.1. Our Customers

The following table sets out the distribution of water allocations amongst types of customers.

Table 1: Ownership of water allocations

Customer type	Number of customers	Medium priority volume (ML)	High priority volume (ML)
Irrigation	119	12,379	-
Non-irrigation	17	1175.5	

Customer type	Number of customers	Medium priority volume (ML)	High priority volume (ML)
HP Industrial	5	-	936
Seqwater	-	-	45,920
Totals	141	13,554.5	46,856

Source: Logan Basin Water Management Protocol February 2023; Seqwater (2023)

2.2. Working Together

Seqwater is committed to customer centricity by implementing improvements for future efficiencies and by fostering a positive customer journey. Seqwater is committed to listening to its customers daily through engagement at Customer Irrigation Forums, meetings with Customer Reference Groups Representatives and via a yearly Customer Survey and information bulletins as necessary.

Seqwater has conducted the Customer Survey via SMS and email over the past three years. These surveys play a vital role in allowing all irrigation customers to provide feedback to Seqwater for any future initiatives and improvements for the scheme that may make it easier for our customers to do business with us.

The Irrigation Customer Forum was held in March 2023 and was well attended by irrigation customers. This forum was the start of Seqwater’s engagement for the upcoming price review for the 2025-29 irrigation prices. Seqwater shared with customers how irrigation prices are set and heard from our customers what is important to them and what we need to reflect on when setting proposed costs for future pricing periods.

Future forums will be conducted in the months of October to November of each year. These forums allow Seqwater to share knowledge and information on the Irrigation scheme and its operations. The Forum covers different aspects of the business including an operations overview, costs, pricing and forecast storage capacity. This

also allows irrigation customers to interact with Seqwater staff face to face, ask questions and offer their views for future scheme opportunities.

Customer Reference Group (CRG) meetings were held throughout the year with Seqwater engaging on the scheme's performance and operations and the upcoming QCA Price Review. Meeting summaries are published on our website for more detail. Feedback from the members of the CRG's is that they are appreciating the openness and transparency of these meetings.

2.3. Our Service Targets

Service Targets help Seqwater better understand how our services meet our customers' water needs. These have been based on consultation with our customers to develop water supply arrangements to deliver water as efficiently as possible for our customers in the Logan River Water Supply Scheme. The table below shows the performance against the agreed Service Targets for the last two years.

Table 2: Service Targets 2021-22 and 2022-23

Notifications		Target	Performance	
			2021-22	2022-23
Planned	Shutdowns planned to exceed 2 weeks	8 weeks	Nil	Nil
	Shutdown to exceed 3 days < 2 weeks	2 weeks	Nil	1*
	Shutdown < 3 days	5 days	Nil	Nil
Unplanned	Shutdowns will be fixed so at least partial supply can be resumed	48 hours	Nil	Nil

Notifications		Target	Performance	
			2021-22	2022-23
	Interruptions greater than above	> 48 hours	Nil	Nil
	Interruption to supply	Earlier of 24 hrs & end of 1 st business day	Nil	Nil
Planned & Unplanned	Interruptions to supply per water year	6 events	Nil	1*
Meter Repairs	Faults causing restriction to supply after Seqwater has been notified	1 working day	Nil	Nil
Complaints	Initial response to complaints via post, email, or telephone.	5 working days	Nil	Nil
	Resolution or response to complaint on why it has not been or cannot be resolved within period of receiving complaint	21 days	Nil	Nil

*Painting of cone valves at Maroon Dam

Source: Seqwater (2023)

2.4. Our Water

The announced allocation determines the percentage of nominal water allocation volume that is available in each water year. The following table sets out the announced allocations for both medium priority and high priority water allocations since 2007-08.

Table 3: Announced allocations history

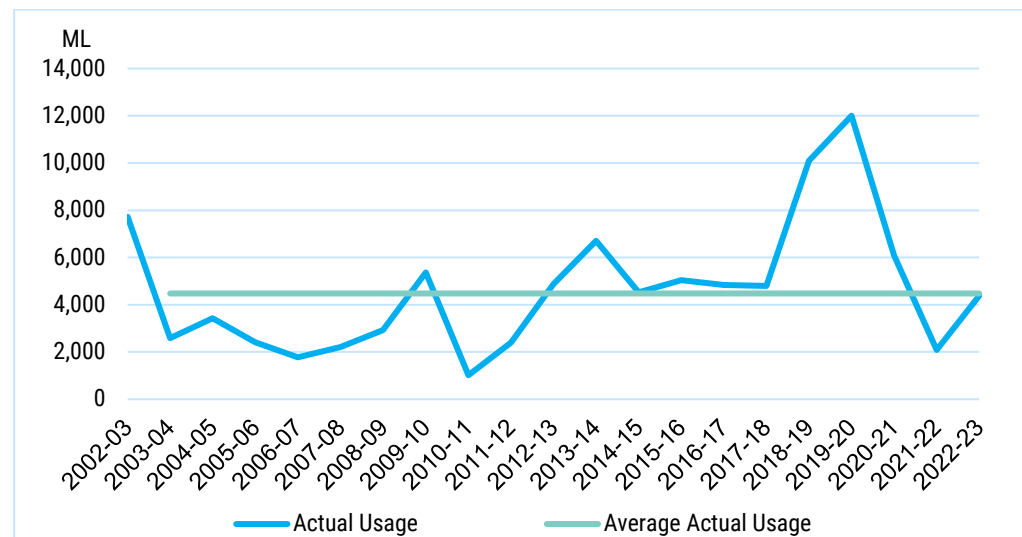
Year	MP %	HP %	Year	MP %	HP %	Year	MP %	HP %
2007-08	0 - 90	0 - 100	2013-14	100	100	2019-20	100	100
2008-09	95 - 100	100	2014-15	100	100	2020-21	100	100
2009-10	100	100	2015-16	100	100	2021-22	100	100
2010-11	100	100	2016-17	100	100	2022-23	100	100
2011-12	100	100	2017-18	100	100	2023-24	100	100
2012-13	100	100	2018-19	100	100			

Source: Seqwater (2023)

2.5. Water Usage

Figure 1 below shows the actual medium priority water usage per year from 2002-03 to 2022-23. It also shows the average water usage over the 20-year period.

Figure 1: Annual Scheme water usage for years ending 30 June 2003 to 30 June 202



Source: Seqwater (2023)

2.6. Seasonal Water Assignments (Temporary Transfers)

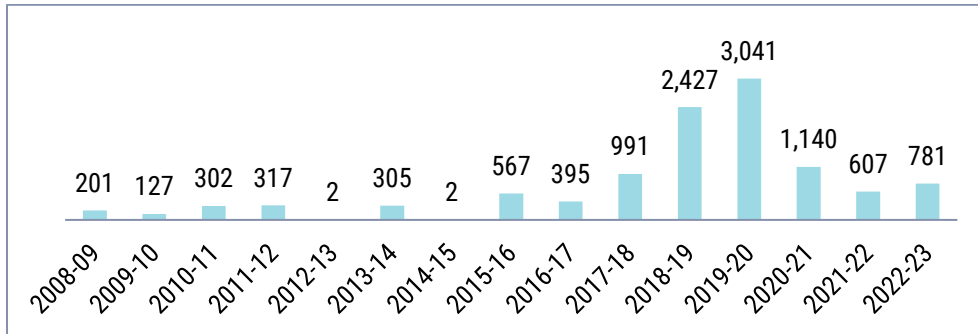
A seasonal water assignment (Temporary Transfer) allows two customers to transfer available water to each other within a water year. The following chart sets out the volumes of temporary transfers by year from 1 July 2008 to 30 June 2023.

Since 1 July 2020 if customers in the Logan River Water Supply Scheme have declared the sale price of their temporary transfer at time of application, then Seqwater has published the price on its website.

Providing publicly available, meaningful and high-quality market activity information allows better business planning and risk management for water users in this scheme. The information published is generic information and all personal information is withheld.

You can find all the temporary trade information that Seqwater hold for your scheme [here](#).

Figure 2 shows the temporary transfer approved in the Logan River since 1 July 2008.



Source: Seqwater (2023)

2.7. Our Operations

The table below sets out the bulk water assets, owned and operated by Seqwater, that comprise the scheme.

Table 4: Bulk water assets

Dams	Weirs	Off-stream storages	Other bulk water assets
<ul style="list-style-type: none"> Maroon Dam Wyaralong Dam 	<ul style="list-style-type: none"> Cedar Grove Weir Bromelton Weir South Maclean Weir 	<ul style="list-style-type: none"> Bromelton Off-Stream Storage 	<ul style="list-style-type: none"> Gauging stations Customer water meters

Source: Seqwater (2023)

Maroon Dam started the year at 100.3% and finished at 97.6% on the 30 June 2023. The Dam volume stayed stable throughout the year with isolated days of flood

releases. Minimal operational releases occurred due to local rainfall maintaining natural flows in Logan River and tributaries.

Figure 3: Cedar Grove Fish Loch Flood Debris before and after clean.



Source: Seqwater (2023)

Figure 4: Maroon Cone Valves to be painted.



Source: (Seqwater) 2023

Figure 4.1: Maroon Cone Valves painting completed



Source (Seqwater) 2023

2.8. Our Water Prices

2.8.1. Irrigation charges for 2023-24

Seqwater's responsible Ministers issued the Seqwater Rural Water Pricing Direction Notice (No. 1) 2023 which sets the rural irrigation water prices and associated fees Seqwater must charge from 1 July 2023 to 30 June 2025.

The table below shows the Logan River tariff group's discounted price that irrigators are paying (includes 15% discount), the QCA approved cost reflective prices.

Table 5: Logan River WSS irrigation regulated prices and cost reflective prices (Nominal \$/ML)

Tariff Type	Your Price 2023-24 \$	Cost Reflective Price 2023-24 \$
Fixed – Part A	17.07	20.75
Volumetric – Part B	10.52	19.67

Source: Seqwater 2023, Rural Water Pricing Direction Notice (No. 1) 2023 and Queensland Competition Authority, Final Report, Rural irrigation price review 2020–24 Part C: Seqwater, January 2020

2.8.2. Non-Irrigation water charges for 2023-24

Seqwater sets the non-irrigation water prices using the costs adopted by the QCA in their 2020-24 irrigation price review adding a return of capital and return on capital values.

Table 6: Non-irrigation prices (Nominal \$/ML)

Tariff Type	Medium Priority 2023-24 \$/ML	High Priority 2023-24 \$/ML
Fixed (Part A)	39.61	321.44
Volumetric (Part B)	19.67	19.67

Source: Seqwater (2023)

2.9. Our Expenditure

Seqwater's costs are subject to review by the QCA at the end of each price path which commenced on 1 July 2020 for four years to 2024. The following table sets out Seqwater's actual expenditure compared to the 2022-23 target costs which were extrapolated from the expenditure recommended by the QCA in the 2020-24 price review.

Also shown is the expenditure recommended by the QCA for 2023-24. Explanations of material variations are set out in the table below.

Table 7: Operating expenditure for 2022-23 and operating budget 2023-24(\$Nominal)

Expenditure Item	2022-23		2023-24	2024-25
	QCA Target (\$)	Actual (\$)	QCA Target (\$)	QCA Extended
Direct operating costs				
Labour	331,075	253,944 (1)	340,113	350,657
Electricity	10,836	29,313	10,986	11,198
Repairs and maintenance	314,832	322,751 (3)	323,108	332,272
Other	74,262	162,572 (2)	76,139	78,100
Rates	617,075	667,452	632,501	648,314

Expenditure Item	2022-23		2023-24	2024-25
	QCA Target (\$)	Actual (\$)	QCA Target (\$)	QCA Extended
Dam Safety Inspection		21,340	23,775	0
Total Direct operating costs	1,348,079	1,457,372	1,406,623	1,420,540
Non-direct operating costs				
Operations	756,832	618,079 (4)	775,753	795,147
Non-infrastructure	27,114	36,886 (5)	27,792	28,487
Insurance	346,954	332,573	355,627	364,518
Total non-direct costs	1,130,900	987,538	1,159,172	1,188,152
Total operating costs	2,478,979	2,445,083	2,565,795	2,608,692

Source: Seqwater (2023); QCA Final Report, Seqwater Irrigation Price Review 2020-24 (February 2020)

Notes:

- (1) 3 flood events in the first half of this year have impacted operations BAU activities
- (2) Significant repairs to Cedar Grove Fish loch occurred, bubbler sensor replacement and hydraulic repairs, SCADA engineering changes. NB: Ongoing work still required.
- (3) Maintenance was mainly undertaken by internal staff resulting in a shift of costs between cost categories and savings. It was a very wet season, with a 3rd La Nina event, and some projects and operational works were delayed or postponed.
- (4) Direct operating costs resulted in a lower indicative allocation of indirect costs to the scheme.
- (5) Costs higher resulting in a higher allocation of share across all schemes.

2.10. Our Annuity

The balance of the renewal annuity funds is recorded in the Asset Restoration Reserve (ARR). The ARR account for 2022-23 for this scheme, prepared on an irrigation-only basis, is presented below.

Table 8: Logan River WSS Asset Restoration Reserve – Irrigation only (\$Nominal)

Asset Restoration Reserve – Irrigation only	2022-23 (\$)
Opening Balance 1 July	-466,727
Interest for year*	-20,396
Revenue – irrigation	41,007
Revenue contribution above cost reflective price	2,741
Expenditure for year – non-metering**	-14,886
New billing and water accounting system	31
Expenditure for year – metering	0
Closing Balance 30 June	-416,496

* The interest rate is based on the Queensland Competition Authority's recommended weighted average cost of capital (WACC) of 4.37% post-tax nominal.

**Irrigators share of non-metering renewals which is 2% of total non-metering expenditure.

Source: Seqwater (2023)

2.11. Our Renewals

2.11.1. 2022-23 renewals

The following table sets out this expenditure, please note that the irrigation shares of renewals excluding meter costs and new billing and water accounting system is 2%.

Table 9: Renewals projects for 2022-23

Asset	Project scope	Budget (\$'000)	Actual (\$'000)
Maroon Dam	Install Maroon Dam Shed	317	56
	Renew Cone Valve		53
Scheme	New Water Accounting System		31
Wyaralong Dam	Refurbish Baulks	11	12

Source: Seqwater (2023)

2.11.2. Asset planning

Seqwater has an Asset Portfolio Master Plan (APMP). The renewals projects for irrigation schemes in the APMP were reviewed by the QCA during the 2020-24 price review and were found to be prudent and efficient.

Listed below are the renewal projects forecast for the next 5 years. This forecast is updated each year.

Table 10: Rolling 5-year renewals forecast (\$Nominal)

Asset	Project scope	Year	Forecast (\$'000)
Meters	Upgrade flow meters	2023/24	304 ⁽¹⁾
		2024/25	1,401
		2025/26	131
		2026/27	68
Maroon Dam	Outlet Works Riparian Valve	2029/30	410
Wyaralong Dam	Refurbish Baulks	2024/25	290
	Recoat Dewatering Valve and Assemble	2028/29	379
	Replace Office Building	2024/25	448

Source: Seqwater (2023)

Notes: Ensuring meters meet Seqwater metering standard and improve measurement accuracy.