

Central Lockyer Valley WSS

Scheme Performance Report 2024-25

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1. Introduction

The Scheme Performance Report (SPR) 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 Central Lockyer Valley Water Supply Scheme was established to support irrigation in dairy, vegetable and forage crops sectors following construction of various weirs from the 1940s to 1980s, Bill Gunn Dam and Lake Clarendon in 1988 and 1992 respectively and the Morton Vale Pipeline in 1995. Releases from the dams are made manually. The Scheme is also located in the Clarendon Sub-artesian Area which is a benefitted groundwater area.

The *Water Plan (Moreton) (Supply Scheme Arrangements) Amendment Plan 2019* for the Central Lockyer Valley Water Supply Scheme was released on 13 December 2019. On 6 March 2020 the final water entitlement notice, water management protocol, operations manual and resource operations licence, which together implement the Water Plan were released.

Prior to the Water Plan the water year was from 1 July to 30 June, however, the Water Plan changes the water year to run from 1 January to 31 December.

The Scheme consists of two tariff groups, “Central Lockyer Valley” and “Morton Vale Pipeline”.

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 (ML)	Low Priority (ML)	Medium priority (ML)	Morton Vale Pipeline MP (ML)	High priority (ML)
Irrigation – Ground water	102		18,473	9244	-	-
Non-Irrigation – Ground water		-	398	165		-
Irrigation – Surface water	85	5146				
Non-Irrigation – Surface water	2	145				
Lockyer Valley Regional Council	1	13 SW ⁽²⁾	30	85 GW ⁽³⁾	-	-
Seqwater	-	-	-	-	3,507 ⁽¹⁾	185
Totals	196	5304	18,901	9,494	3,507	185

(1) 3420ML is contracted to 39 customers on the Morton Vale Pipeline

(2) Surface Water

(3) Groundwater

Source: Seqwater (2024)

2.2. Working Together

Seqwater has a strong focus on improving customer outcomes, through the implementation of future efficiencies and fostering meaningful engagement. The organisation actively listens to its customers through various engagement strategies, including our annual customer forums, Customer Reference Groups (CRG), and the publication of regular information bulletins.

To ensure that customers can provide feedback regarding their experiences, Seqwater undertakes an annual customer survey. This survey is crucial for gathering feedback from all irrigation customers, to develop initiatives and improvements that make it easier for customers to do business with Seqwater.

This year's annual customer forum, held in October 2024, was well attended by irrigators and other customers. These forums provide Seqwater with an opportunity to share knowledge and information about the Scheme and its operations. Topics covered include an overview of operational and financial performance for the Scheme, as well as a look ahead that includes forecast expenditure and water availability. The customer forum also allows irrigation customers to interact with Seqwater staff face-to-face, ask questions, and share their views on future scheme opportunities.

Throughout the year CRG meetings were held, where Seqwater discussed the scheme's performance, operations, and the QCA Irrigation Price Review. Summaries of these meetings are published on Seqwater's website. Feedback from CRG members indicates they value 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 Central Lockyer Valley Water Supply Scheme. The table below shows the performance against the agreed Service Targets for the last two years.

Table 2: Service Targets 2022-23 and 2023-2024

Notifications		Target	Performance	
			2022-23	2023-24
Planned	Shutdowns planned to exceed 2 weeks	8 weeks	N	Nil
	Shutdown to exceed 3 days < 2 weeks	2 weeks	Nil	Nil
	Shutdown < 3 days	5 days	Nil	*(MV5)
Unplanned	Shutdowns will be fixed so at least partial supply can be resumed	48 hours	Nil	Nil
	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(<3DAYS)
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

Source: Seqwater (2024)

*MV5 – Air valve leak and repair on the Morton Vale pipeline, only short loss (hours) of supply during repair.

2.4. Our Water

The announced allocation determines the percentage of nominal water allocation volume that is available in each water year. Historical announced allocations determined under the Resource Operations 2022.

Prior to the Water Plan, the water year was from 1 July to 30 June, however, the Water Plan changes the water year to now run from 1 January to 31 December.

The table below shows the announced allocations from 1 April 2020 until 31 December 2023.

Table 3: Announced allocations

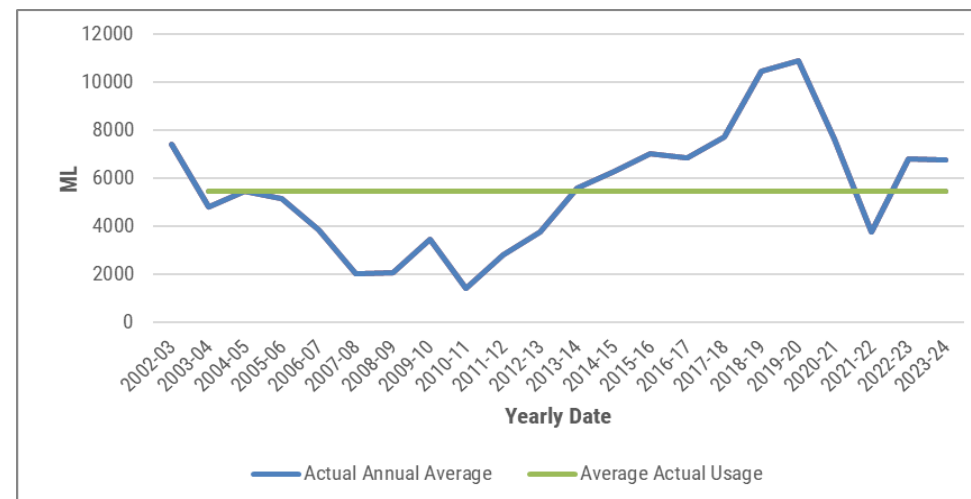
Year	Groundwater		Surface Water MP% (all zones)	MP % (Morton Vale Pipeline)
	LP	MP		
2020	60	80	0	0
2021	60	80	0	0
2022	100	100	100	100
2023	100	100	100	100
2024	100	100	31-55%	100%

Source: Seqwater (2024)

2.5. Water Usage

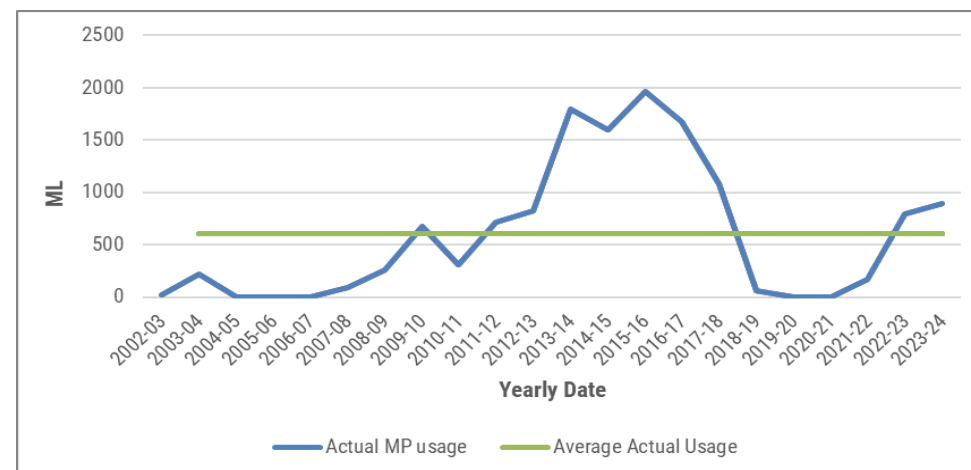
Figures 2 and 3 below show the actual water usage per year from the 2002-03 to the 30 June 2024 for both Central Lockyer Valley Water Supply Scheme (groundwater and surface water) and the Morton Vale Pipeline. It also shows the average water usage over a 21-year period.

Figure 1: Central Lockyer Valley annual water usage June 2024 (includes GW and SW usage)



Source: Seqwater (2024)

Figure 2: Morton Vale Pipeline annual water usage for years ending 30 June 2003 to 30 June 2024



Source (Seqwater) 2024

Table 4: Annual water usage per priority for 2023-24 water year

Source	Usage (ML)				Total (ML)
	Qtr 1	Qtr 2	Qtr 3	Qtr 4	
Morton Vale	292	404	116	83	895
Surface Water (MP)	2,127	1,843	651	1,153	5,447
Ground - Low Priority	2,125	1740	651	1,154	5,669
Ground - Medium Priority	2	104	0.048	1.684	107
EOY Totals (ML)	2,127	1,843	651	1,155	12,446

Source: Seqwater (2024)

2.6. Seasonal Water Assignments (Temporary Transfers)

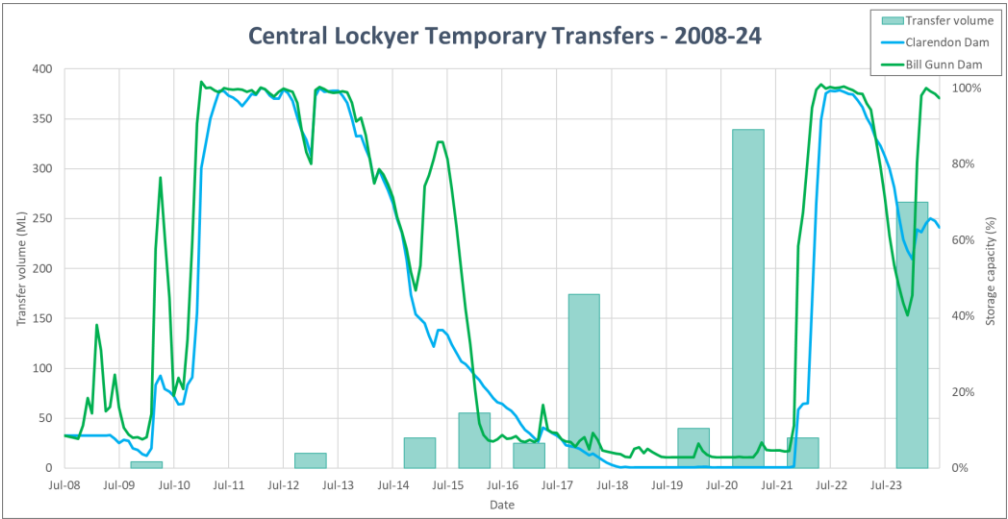
A seasonal water assignment (Temporary Transfer) allows two customers to transfer available water to each other within a water year.

Since 1 July 2020 if customers in the Central Lockyer Valley 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 on our website.

Figure 3: Temporary Transfers from 2008-2024



Source: Seqwater (2024)

2.7. Our Infrastructure

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

Table:5: Bulk water assets

Dams/ off-stream storages	Weirs	Other bulk water assets	Distribution assets
Bill Gunn Dam (Lake Dyer), Clarendon Dam (Lake Clarendon)	Kentville Weir Jordan I & II Weirs Wilson Weir Clarendon Weir Glenore Grove Weir Laidley Creek Diversion Weir Showgrounds Weir Crowley Vale Weir	Redbank Creek Pump Station Clarendon Pump Station Clarendon Diversion Channels Gauging stations Customer water meters	Morton Vale Pipeline

Source: Seqwater (2024)

Works continue after the 2022 rain event with the repairs completed at Clarendon Dam to rectify issues with siphons.

The Dam Operations team undertook work at the Clarendon Dam spillway, repairing some of the separation in the concrete to ensure that it performs as designed if ever required.

Works were carried out on Redbank Creek Road to ensure safe access to this important asset, particularly in wet weather events.

Replacement of Redback Creek Pump 3 was completed before the wet season with the Pump Station controller also has been updated at this time to improve its operation.

A range of works continued across the Weirs, including Clarendon and Jordans Weirs, as well as along the Clarendon Channel.

Figure 4: Clarendon channel exposed siphons completed repairs



Source: Seqwater (2024)

Figure 5: Clarendon channel berm drains cleaned.



Source: Seqwater (2024)

Figure 6: Clarendon Dam spillways repairs



Source: Seqwater (2024)

Figure 7: Jordon’s weir access road repairs



Source: Seqwater (2024)

Figure 8: Clarendon Weir flood damage repairs.



Source: Seqwater (2024)

Figure 9: Redbank pump station pump 3 replacement.



Source: Seqwater (2024)

2.8. Our Water Prices

2.8.1. Irrigation charges for 2024-25

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 Central Lockyer Valley tariff group’s discounted price that irrigators are paying (includes 15% discount), the QCA approved cost reflective prices.

Table 6: Central Lockyer Valley tariff group irrigation water prices (Nominal \$/ML)

Tariff Group	Tariff	Your Price 2024-25 (\$/ML)	Cost Reflective Price 2024-25 (\$/ML)	Subsidy 2024-25 (\$/ML)
Central Lockyer Valley	Fixed (Part A)	41.55	65.09	23.54
	Volumetric (Part B)	10.01	12.03	2.02

Source: Seqwater 2024, 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

(1) Applies to medium priority groundwater and surface water only

Table 7: Morton Vale Pipeline tariff group water prices (Nominal \$/ML)

Tariff Group	Tariff	Your Price 2024-25 (\$/ML)	Cost Reflective Price 2024-25 (\$/ML)	Subsidy 2024-25 (\$/ML)
Morton Vale Pipeline	Fixed (Part A)	41.55		
	Volumetric (Part B)	7.28		
	Fixed (Part C)	9.60		
	Volumetric (Part D)	6.83		
Morton Vale Pipeline (Bundled)	Fixed (Part A + Part C)	48.83	75.68	26.85
	Volumetric (Part B + Part D)	14.11	20.24	6.13

Source: Seqwater 2024, 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 2024-25

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

Tariff Group	Tariff Type	Medium Priority 2024-25 \$/ML
Central Lockyer Valley	Fixed (Part A)	388.10
	Volumetric (Part B)	12.29
Morton Vale Pipeline	Fixed Bundle (Part A & Part C)	409.83
	Volumetric Bundle (Part B & D)	20.66

Source: Seqwater (2024)

3. Our Expenditure

3.1. Our Operating Costs

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 detailed actual expenditure compared to the 2022-23 QCA target costs which was extrapolated from the forecast target costs recommended by the QCA in the 2020-24 price review.

Also shown are the forecast target costs recommended by the QCA for 2023-24 and 2024-25 years. Explanations of material variations are set out in the table below.

Table 9: Central Lockyer Valley tariff group Operating expenditure, Target costs and forecast target costs (\$Nominal)

Expenditure Item	2023-24		2024-25
	QCA Cost Target (\$)	Actual (\$)	QCA Forecast (\$)
Direct operating costs			
Labour	134,391	138,096	138,557
Electricity	11,636	86,894	11,861
Repairs & Maintenance	187,645	196,814	192,967
Other	45,489	70,256	46,697
Rates	614	618	629
Dam Safety Inspections	0	48,214	0
Total Direct operating costs	379,774	540,891	390,710

Expenditure Item	2023-24		2024-25
	QCA Cost Target (\$)	Actual (\$)	QCA Forecast (\$)
Non-direct operating costs			
Operations	231,146	235,612	236,924
Non-infrastructure	8,281	10,565	8,488
Insurance	156,992	226,504	160,917
Total non-direct costs	396,419	472,682	406,329
Total operating costs	776,193	1,013,573	797,040

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

Table 10: Morton Vale Pipeline tariff group Operating expenditure, Target costs and forecast target costs (\$Nominal)

Expenditure Item	2023-24		2024-25
	QCA Cost Target (\$)	Actual (\$)	QCA Forecast (\$)
Direct operating costs			
Labour	13,439	13,737	13,856
Repairs & Maintenance	5,627	8,369	5,786
Other	10,305	5,876	10,563
Total Direct operating costs	29,371	27,982	30,205
Non-direct operating costs			
Operations	15,206	12,189	15,586
Non-infrastructure	545	547	558

Expenditure Item	2023-24		2024-25
	QCA Cost Target (\$)	Actual (\$)	QCA Forecast (\$)
Insurance	2,480	14,572	2,542
Total non-direct costs	18,231	27,307	18,687
Total operating costs	47,602	55,289	48,891

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

3.2. Our Annuity

The balance of the renewal annuity funds is recorded in the Asset Restoration Reserve (ARR). The ARR account for 2023-24 for Central Lockyer and Morton Vale Pipeline are presented below.

Table 11 Central Lockyer Valley tariff group ARR for 2023-24 (\$Nominal)

Asset Restoration Reserve	2023-24
	(\$)
Opening Balance 1 July	-4,923,843
Interest for year*	-215,280
Revenue – irrigation	327,987
Revenue – Other (Federal Grant)	0
Expenditure for year – non-metering	-147,746
Expenditure for year – metering	-1,102
Closing Balance 30 June	-4,959,984

Source: Seqwater (2024)

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

Table 12: Morton Vale Pipeline tariff group ARR for 2023-24 (\$Nominal)

Asset Restoration Reserve	2023-24 (\$)
Opening Balance 1 July	615,460
Interest for year*	26,909
Revenue for year	5,480
Expenditure for year	0
Closing Balance 30 June	647,849

Source: Seqwater (2024)

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

4. Our Renewals

4.1. 2023-24 renewals

The renewals expenditure for 2023-24 for the Central Lockyer Valley tariff group are provided below.

Table 13: Central Lockyer Valley tariff group renewals projects for 2023-24 (\$Nominal)

Asset	Project Scope	Actual (\$'000)
Clarendon Dam	Portfolio Risk Assessment	27
Bill Gunn Dam	Portfolio Risk Assessment	33

Asset	Project Scope	Actual (\$'000)
Water meters	Replace flow meters under CLGIM project*	26
Kentville Weir	Hydrometric Monitoring Network	19
Redbank Creek WPS	Refurbishment of RW Pump 3	336
Scheme	Flood repair works	958
Water Accounting System	New water accounting system and customer online portal	57

Source: Seqwater (2024)

4.2. Forecast renewals

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.

The renewal projects forecast for the next 4 years for the Central Lockyer Valley tariff group are shown in the tables below. This forecast is updated each year.

Table 14: Central Lockyer Valley tariff group rolling 4-year renewals forecast 2024-2028(\$Nominal)

Asset	Project description	Year	Forecast cost (\$'000)
Redbank Creek Pump Station	Upgrade Flow Measurement Device	2024-25	135
Clarendon Dam	Renew Outlet Works Bulk Paint	2024-25	120
	Renew Outlet Works Trash Rack Paint	2024-25	120

Asset	Project description	Year	Forecast cost (\$'000)
Laidley Creek Diversion Weir	Weir Valve Replacement	2028-29	532

Source: Seqwater (2024)

At this time, there are no renewal projects forecast for the next 5 years for the Morton Vale Pipeline.