

Warrill 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 Warrill Valley Water Supply Scheme (the Scheme) was established following the construction of Moogerah Dam in 1961. The Scheme provides water for the irrigation of about 8,000 ha of farms as well as for urban and industrial water users. The Scheme is regulated under the Water Plan (Moreton) 2007. 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 categories of customers.

Table 1: Ownership of water allocations

Customer type	Number of Customers	Medium priority volume (ML)	High priority volume (ML)
Irrigation	262	19,676	200
Non-Irrigation	17	470	204
Urban	1	0	250
Ipswich City Council	1	10	
Scenic Rim Regional Council	1	4	
Seqwater (losses)	0	3,714	0
Seqwater	0	11	5296
Totals	282	23,885	5,950

Source: Moreton Water Management Protocol; 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 Warrill 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 2023-24

Notifications		Target	Performance	
			2022-23	2023-24
Planned	Shutdowns planned to exceed 2 weeks	8 weeks	Nil	Nil
	Shutdown to exceed 3 days < 2 weeks	2 weeks	Nil	Nil
	Shutdown < 3 days	5 days	Nil	Nil
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	Nil
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	1
	Resolution or response to complaint on why it has not been	21 days	Nil	Nil

Notifications		Target	Performance	
			2022-23	2023-24
	or cannot be resolved within period of receiving complaint			

Source: Seqwater (2024)

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 the current year plus the historical position from 2007-08.

Table 3: Announced allocations

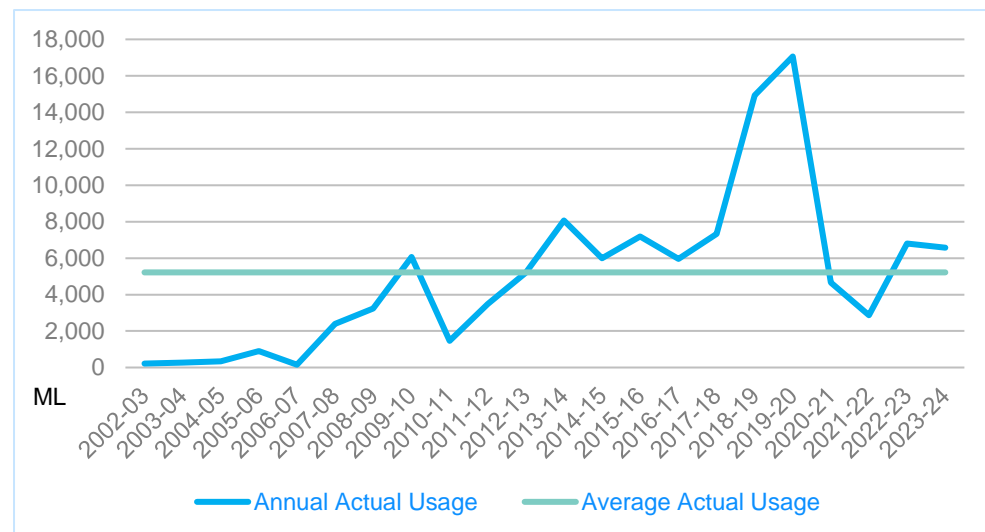
Year	HP %	MP %	Year	HP %	MP %	Year	HP %	MP %
2007-08	100	0	2013-14	100	100	2019-20	100	100
2008-09	100	5-71	2014-15	100	100	2020-21	100	19-96
2009-10	100	30-72	2015-16	100	100	2021-22	100	77-100
2010-11	100	56-100	2016-17	100	100	2022-23	100	100
2011-12	100	100	2017-18	100	100	2023-24	100	100
2012-13	100	100	2018-19	100	100	2024-25	100	100

Source: Seqwater (2024)

2.5. Water Usage

Figure 1 shows the actual water usage per year from 2002-03 to 30 June 2024. It also shows the average water usage over the 20-year period.

Figure 1: Warrill Valley WSS annual water usage for years ending 30 June 2003 to 30 June 2024



Source: Seqwater (2024)

2.6. Seasonal Water Assignments (Temporary Transfers)

A Seasonal Water Assignment, also known as a 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 2024.

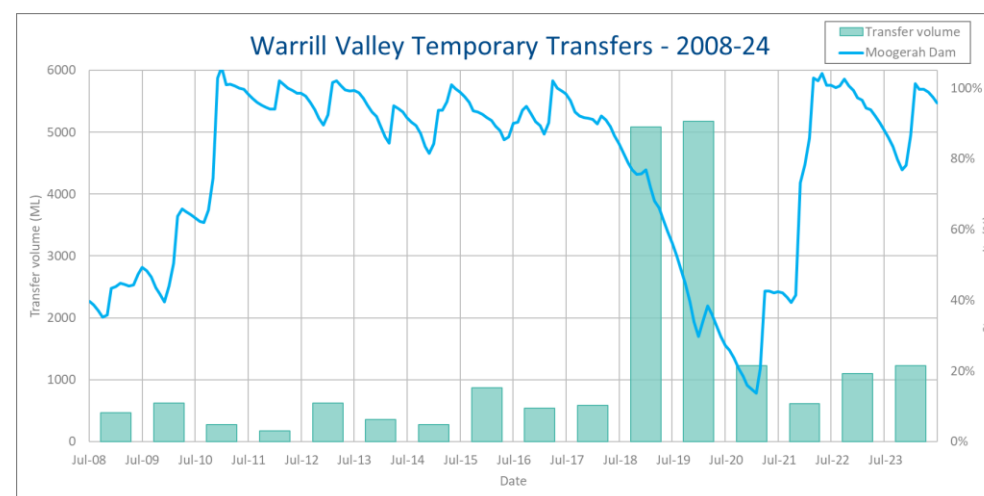
Since 1 July 2020 if customers in the Warrill Valley Water Supply Scheme have declared the sale price of their temporary transfer at time of application, then Seqwater has published the price on its website.

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 2 shows the temporary transfers approved in the Warrill Valley WSS since 1 July 2008.

Figure 2: Temporary transfers and Moogerah Dam Capacity from 2008 to 2024



Source: Seqwater (2024)

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	Other bulk water assets
Moogerah Dam	<ul style="list-style-type: none"> Upper Warrill Diversion Weir Kents Lagoon Diversion Weir Aratula Weir Warrill Creek Diversion Weir Warroolaba Creek Diversion Weir West Branch Warrill Diversion Weir Churchbank Weir Railway Weir 	<ul style="list-style-type: none"> Gauging stations Customer water meters Upper Warrill Creek Diversion Channel

Source: Seqwater (2024)

Moogerah Dam started the 2023-24 water year at 88.9% storage capacity. Drier conditions saw the dam level drop slowly to 76% through November and December, ending the water year at 96.6% on the 30th June, 2024.

Figure 3: Moogerah Dam wall



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

Table 5: Warrill Valley water prices (Nominal \$-ML)

Tariff Type	Your Price 2024-25 \$-ML	Cost Reflective Price 2024-25 \$-ML
Fixed (Part A)	17.48	20.56
Volumetric (Part B)	10.04	13.00

Source: Seqwater Rural Water Pricing Direction Notice (No. 1) 2021 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 6: Non-irrigation prices (Nominal \$-ML)

Tariff Type	Medium Priority 2024-25 \$-ML	High Priority 2024-25 \$-ML
Fixed (Part A)	26.82	348.20
Volumetric (Part B)	13.27	13.27

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 actual expenditure for 2023-24, compared to the target costs which we extrapolated from the expenditure recommended by the QCA in the 2020-24 price review.

Also shown is the expenditure recommended by the QCA for 2024-25. Explanations of material variations are set out in the following table.

Table 7: Operating expenditure for 2023-24 and operating budget 2024-25 (\$Nominal)

Expenditure Item	2023-24		2024-25
	QCA Cost Target (\$)	Actual (\$)	QCA Forecast (\$)
Direct operating costs			
Labour	293,979	296,215	303,092
Electricity	9,225	9,009	9,403
Repairs & Maintenance	255,427	348,511	262,377
Other	101,994	100,164	104,572
Rates	112,639	137,694	115,455
Dam Safety Inspections	7,705	4,915	0
Total Direct operating costs	780,967	896,508	794,899
Non-direct operating costs			
Operations	396,870	390,519	406,791
Non-infrastructure	14,218	17,512	14,574
Insurance	47,571	64,675	48,761
Total non-direct costs	458,659	472,706	470,126
Total operating costs	1,239,627	1,369,214	1,265,025

Source: Seqwater (2024); 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 this scheme, prepared on an irrigation-only basis, are set out in the following table.

Table 8: Warrill Valley WSS Asset Restoration Reserve irrigation share only (\$Nominal)

Asset Restoration Reserve	2023-24 (\$)
Opening Balance 1 July	-2,321,125
Interest for year	-101,484
Revenue – irrigation	83,224
Revenue above cost reflective price	0
Expenditure for year – non-metering**	-13,833
Expenditure for year – metering	-123,066
Closing Balance 30 June	-2,476,284

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.

** Irrigators share of non-metering renewals which is 10% of total non-metering expenditure as per the Headworks Utilisation Factor (HUF)

4. Our Renewals

4.1. 2023-24 Renewals

The following table sets out the renewal projects that were undertaken in 2023-24.

Table 9: Renewal projects 2023-24

Asset	Project description	Actual cost (\$'000)
Moogerah Dam	Portfolio Risk Assessment	122
Railway Weir	Hydraulic actuator install for Railway Weir	3

Meters	Upgrade flow meters	123
Scheme	Development of new water accounting & customer online portal	59

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.

There are no planned non-metering renewals project forecast for the next five years from 2023-24.

The renewals metering upgrade program is planned to be finalised during 2024-25. This forecast is updated each year.