Logan River WSS

Annual Customer Forum 2025 Summary

Date and Time	14 October 2025 12:00pm
Location	The Centre – 82 Brisbane Street, Beaudesert
Attendees	10 Irrigation Customers
Purpose	Provide Irrigators information regarding their scheme and pricing consultation

Welcome & Introductions

Seqwater introduced members of the Operations and Irrigation Team and provided an overview of the Agenda for the Customer Forum.

Works Outline 2024-25

Seqwater reported that the Operational team is maintaining its focus on maintenance and infrastructure upgrades. Flooding resulted from ex-Cyclone Alfred; although record-breaking floods were anticipated, the impact was less significant than forecast but still required considerable asset inspections and emergency repairs, particularly at Cedar Grove Weir and Maroon Dam.

Infrastructure maintenance, repairs, and erosion mitigation are ongoing, with temporary repairs implemented prior to the wet season. Refurbishment of a seized cone valve at Maroon Dam is scheduled for completion by the end of the month, following interim workarounds during the flood event.

Water Ordering

Seqwater advised customers the importance of ordering water and timeframe to reach destinations. Water ordering allows planning for releases and minimizes losses.

Scheme Performance & Water Trading

- Maroon maintained full capacity throughout most of the year.
- Announced Allocation for 2024-25 - 100%
- Water usage & temporary trade remained low for the year, due to the wet season

Customer Survey & Engagement

The annual customer survey was distributed to customers across all schemes. For this specific scheme, the average trust score was 8.3%. Participation levels were low, but feedback has been appreciated and welcomed at any stage as it allows us to plan. The key comments where on pricing, water availability and asset maintenance.

Recently, an alternative engagement strategy was trialed: an open day event at Borumba Dam in the Mary Valley, which included participants from both the Mary Valley and Cedar Pocket schemes. The event provided a collaborative opportunity to tour some of the dam's assets and operations. Seqwater is considering hosting more of these events in the future and welcomes feedback on holding an event in place of a forum for this scheme.

Maroon Dam Capacity and Dam Safety

and State Government Assessment: John explained the historical and current operational constraints of Maroon Dam, including its reduced supply level due to foundation issues, and outlined a state government-led assessment considering options to increase capacity and address dam safety.

Logan River Water Plan

Logan River Water Plan Replacement: John responded to Graham's question about the Logan River water plan, clarifying that the state government will release a draft for consultation early next year, which will determine allocation reliability and environmental flows for the next decade.
Irrigation Pricing Consultation and Methodology Review: John led an in-depth discussion on the government-mandated review of irrigation pricing methodology, comparing the current renewals annuity approach with Logan Water Plan Consultation: Notify stakeholders when the draft Logan River Water Plan is released for consultation and coordinate SEQ Water's engagement with the community at that time.

Scheme Performance & Water Trading

- Moogerah Dam maintained full capacity throughout most of the year.
- Announced Allocation for 2024-25 - 100%
- Water usage & temporary trade remained low for the year, due to the wet season

Water Markets

If wanting to sell or buy water there are options with water brokers however, Seqwater have a free online bulletin board called Customer Connect, which will connect you to buyers and sellers of water within our schemes.

RAB Pricing Consultation

RAB Pricing Consultation

A recent QCA Price review has been completed for 2025-2029, with Seqwater receiving a pricing direction notice from the Government in June 2025, shortening the price path from four years to two years.

It is believed that Seqwater will be required by the Queensland Government to undertake an expedited assessment of irrigation pricing methodologies. It is anticipated that Seqwater will receive a directive from Government shortly, with a submission required to QCA by February 2026. This process involves comparing the current renewals annuity approach to the regulated asset base (RAB) method.

The notice also requests an expedited review of capital cost recovery methods for the 2027-28 and 2028-29 periods. The Queensland Competition Authority (QCA) is responsible for ensuring that expenditure is both prudent and efficient, and that Seqwater does not generate profit from irrigation pricing.

The consultation process and timeline will be condensed, with education and feedback sessions currently underway with all irrigation schemes. Draft price presentations are scheduled for late November or early December, and a final submission to QCA is planned by February. Seqwater is tasked with developing draft prices, an additional consultation will take place after the QCA publishes its draft report.

The review focuses solely on capital expenditure (Capex) recovery methods, excluding operational expenditure (Opex), and will use existing cost data from the previous price review. Assets constructed before July 2000 are excluded from the RAB calculation.

Customers' feedback is crucial, with initial consultations covering all schemes through in-person and online channels. Further input will be invited after draft prices are prepared.

Seqwater detailed comparison of the renewal's annuity and RAB approaches for capital cost recovery explaining the technical differences, implications for price stability and the rationale for the Government's interest in transition to the RAB.

Technical explanation of both methods is that the renewals annuity method forecasts capital expenditure over a 30-year period and smooths costs over time, while the RAB method focuses on the current asset base and recovers costs over the asset's useful life, typically aligned with shorter-term forecasts.

The implications for price stability indicate that both approaches are expected to deliver comparable results in terms of long-term pricing. The annuity method offers enhanced price smoothing over time, while the RAB method may produce more pronounced short-term fluctuations, reflecting actual expenditure more accurately in the immediate pricing trajectory. The RAB method enables focused engagement with stakeholders, letting them influence short-term pricing by discussing upcoming four-year expenditures instead of uncertain long-term forecasts.

Pricing Consultation Actions

- Develop draft prices for the RAB and renewals annuity approaches using existing QCA-approved inputs and prepare to present them for feedback in early December.
- Conduct initial consultations with all relevant schemes (excluding Brisbane) during the rest of October to gather feedback on what should be modelled for the price review.
- Model and present the price impacts of both the annuity and RAB approaches for at least the next 10 years to help stakeholders understand potential long-term differences.
- Investigate and model different options for setting the opening balance (e.g., zero balance, existing annuity balance) and depreciation periods for the RAB approach and present the impacts.

Forum closed

The Forum closed at 1:20pm with no further questions.