Lower Lockyer Valley WSS

Annual Customer Forum 2025 Summary

Date and Time	21 October 2025 12:00pm
Location	Lowood Bowls Club - Lowood
Attendees	6 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

The following updates on Lower Lockyer Valley Water Supply Scheme (WSS) were presented:

- The Operations Team continues to focus on maintenance, dam surveillance and weed mitigation
- O'Reilly's Weir has sustained damage with work being scheduled

Water Ordering

Seqwater advised customers the importance of ordering water, as it allows planning for releases and minimizes losses.

Metering

Metering upgrades to the Queensland Government standards is not scheduled until 2027-28 financial year.

Scheme Performance

- Atkinson Dam is currently at 96% capacity
- Water usage and temporary transfers are remain low in the scheme
- Water markets for trading of water are available privately or via Seqwater website (Customer Connect) which is a free service

Customer Survey & Engagement

The annual customer survey was distributed to customers across all schemes. For this specific scheme, the average trust score was just below 6.9%. %. Participation levels were low, but feedback has been appreciated and welcomed at any stage, as it allows us to plan. The key comments were 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.

Customer Reference Groups

Customer Reference groups (CRG) are still active, and customers are encouraged to speak to their representatives or Seqwater. If anyone is interested in being part of the CRG please let us know.

Lockyer Erosion

A brief discussion was held regarding the recent erosion that took place near O'Reilly's Weir, Seqwater and landowners are under consultation regarding this matter.

Lockyer Water Improvement Initiative

- Seqwater has a partnership with Resilient Rivers SEQ and Lockyer Valley Regional Council
- $750,000 funding over 5 years
- Focuses on erosion control, bank stabilization, weed management and riparian wildlife habitat
- Ecologist currently on site with surveyors on site next week
- Stakeholder workshops to shape design and review options

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.

Scheme Actions

- Investigate desilting of Brightview Weir and Kentville Weir
- Continual cleaning and desilting of water channels
- Inlets to be investigated to see if they can be increased to allow more flow into dam quicker

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. (if possible, investigate20-year forecast)
- Investigate and model different options for setting the opening balance (e.g., zero balance, exist pricing 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.