Warrill Valley WSS

Annual Customer Forum 2025 Summary

Date and Time	7 October 2025 12:00pm
Location	School of Arts - Harrisville
Attendees	8 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 Operational team continues to focus on maintenance and infrastructure upgrades across the schemes.

Restoration works will be conducted on Weiers to replace valves, remote actuator installations with a focus on reliability and safety. Notifications will be sent to all potentially impacted customers and CRG about the upcoming weir upgrades.

Weirs that will be affected by these upgrades include:

- Warroolaba Creek Diversion Weir
- Warrill Creek Diversion Weir
- Kents Lagoon Gravity Diversion
- Railway Weir

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

- 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

Customer Survey & Engagement

The annual customer survey was distributed to customers across all schemes. For this specific scheme, the average trust score was 8.7%. 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, asset maintenance and infrastructure costs.

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.

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.

Warrill Valley Losses Trial

The Department has engaged SMEC and is working with Seqwater to physically assess water losses in the scheme. Key considerations include:

- Major in-stream losses during the 2019-20 drought
- Use of temporary gauging stations and drones to measure releases across the scheme
- Findings to improve efficiency, guide water ordering and inform updates to the Moreton Water Plan

A draft report is under review; findings will be shared once finalised.

Water for Warrill

The project is in progress to identify new and more secure water sources for Warrill Valley, including:

- Input into project from Seqwater
- Additional funding from Qld State budget
- Broader feedback is required from active water users within Warrill Valley

For more Information, please visit the Water for Warrill website https://www.waterforwarrill.com.au/

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. Draft price presentations are scheduled for late November or early December, and a final submission to

QCA is planned for February. Seqwater is tasked with developing draft prices. 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.

Seqwater highlighted that stakeholder 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 provided a 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.
- Feedback Collection on Modelling Approach: Collect feedback from stakeholders on the proposed use of the annuity balance as the opening RAB and the depreciation period to ensure price stability.
- 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.

Forum closed

The Forum closed at 1:40pm with no further questions.