

Customer Reference Group – Meeting Summary

Date and Time	16 May 2023 10:10am
Location	The Phoenix Hotel, Gympie
Attendees	Seqwater – Petrina Douglas, Wendy Scott, Cameron Stewart, Troy Huckstepp, Rick Goulding CRG Members – Shane Templeton, Mick Sims, Gary Rozynski, Tom Walker, Danny Attard, Blake Nicolle, Chris Leacy, Craig Nichols
Apologies	Roger Bambling, Gabe McGhee
Purpose	QCA Price Review – What is important to customers in this price review and what do they want to know.

Welcome & Introductions

Seqwater introduced members of the Operations and Irrigation Team and provided an overview of the agenda.

Purpose of the meeting was to share Seqwater's strategy on how we are planning to develop our proposal for irrigation prices for 2025-29 and seek feedback from customers on what is important to them in the upcoming review.

Agenda items:

- QCA price view for Irrigation Prices 2025-29
- Seqwater's proposed customer engagement strategy for the QCA review
- How are Irrigation prices calculated – how much detail do customers want to know?
- Review March 2023 Customer Survey results
- Review current Service Standards as per Supply Contract and are these adequate?
- Inform customers how we are developing our proposal
- How can customers be involved in Seqwater's pricing proposal
- Feedback from customers, what do they want out of this review?
- Pie Creek Loss Allocations

QCA price review

- QCA have been directed by Queensland Government to review the irrigation pricing practices of Seqwater and Sunwater.
- Purpose of review is to recommend irrigation pricing for the period 1 July 2025 – 30 June 2029.
- Seqwater will work with customers to agree prices from 1 July 2025.
- Submission to QCA is due 30 November 2023.

Engagement strategy

- Phase 1 – Engage/Feedback (March-May 2023).
- Phase 2 – Consult/Feedback (August – September 2023)
- Phase 3 – Circle back final proposal (October – November 2023)

Scheme Performance Reports

A review of the QCA Forecasts costs VS Actual for the last years was discussed. This information can be found on the Seqwater website <https://www.seqwater.com.au/mary-valley-scheme> under Scheme Performance Report.

Review customer survey results

The customer survey was undertaken in March 2023 with 96 customers responding.

- One of the questions was in relation to the QCA price review, “The Qld Government have directed the Qld competition Authority (QCA) to review Seqwater’s irrigation practices and recommend irrigation pricing for 1 July 2025 – 30 June 2029. Are you happy with the current service level?”
 - Approx 80% of customers responded saying they are happy with the current level of service
- Satisfaction and trust scores have continued to improve year on year

CRG members suggestions for upcoming price Review

- Customers not interested in specific cost allocation and pricing methodology; all they care about is keeping overall costs down to minimise bottom line prices. Customers feel like they can impact this through engaging on proposed opex and capex to be undertaken over next price path period. *Seqwater confirmed this would be possible during phase 2 on our engagement plan.*
- Customers want more reliability attached to their current allocations. At present there are concerns regarding the proposal of a Hydro Scheme to be located at Borumba Dam.
- Customers asked whether allocated scheme rate costs would increase if the footprint of Borumba dam increases with potential raising.
- Customers questioned whether customers not using their meters with an allocation under 5ML, whether we can save in cost by not replacing those meters however, Seqwater to do a yearly check, with a risk management approach.
- The lifespan of the new Krohne meters are now 30 years with a validation required every 5 years, which only takes approximately 1 hour to run the validation.
- Customer raised questions and concerns about small water allocation holders not paying their share, as the bigger water allocation holders are basically subsidizing the small water allocation holders. Can some modelling be done to ascertain what the minimum costs would be and at what ML volume would cap the minimum administrative fee.
- Customers asked about accessibility to grants for modernisation to potentially offset expenditure costs. e.g. Solar panels, upgrade Pie Creek channels.
- Any capital expenditure planned for Borumba Dam be placed on hold until the pending decision of Borumba Dam Hydro project is known.
- Project of replacement of Cone Valves at Borumba Dam should be placed on hold and the desilting of downstream, if no risk associated with putting it on hold.
- Customers suggested council should use and contribute towards the Pie Creek scheme given they have replaced farming land with urban development. Customers suggested Seqwater should engage with Government to see if council can use Pie Creek scheme to assist with its long-term viability. Customers raised concern over the future reliability and viability of the Pie Creek scheme.
- Customers informed they were happy with current service standards.

- Customers considered any assessment of the distribution loss allocation was not feasible.

Other Items

An appreciation to Petrina and the past Seqwater representative (Colin) on their outstanding dedication and work on listening to suggestions and following up on behalf of the CRG members.

How customers can give feedback during this current price review

Seqwater encourages your feedback so if you would like to provide any feedback please let us know either by email, calling the irrigation team, on our website or through CRG meetings.

Next meeting

Next meeting in regard to price review be held in August/September 2023

Meeting closed at 12.20pm