

Customer Reference Group– Meeting Summary

Date and Time	9 May 2023 10:00am
Location	Lovett Cafe' Kalbar
Attendees	Seqwater – Petrina Douglas, Wendy Scott, Cameron Stewart, Nick Skewes CRG Members – Ross McInnes, Rob Hinrichsen, Ed Windley, Bevin Shard, Morris McInnes
Apologies	Russell Jenner, David Armstrong, Mitchell Moffatt
Purpose	QCA Price Review – What is important to customers in this price review and how can customers be involved

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?
- 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/warrill-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 feedback regarding the upcoming price review

- Customers raised concern about price variability being introduced when 15% government discount is removed. Customers preference is for price stability.
- Scheme efficiencies is important to customers.
- If no water in 5 years could the Part A be kept on hold and then joined in with the Part B costings.
- Customers raised concern about price variability being introduced when 15% government discount is removed. Customers preference is for price stability.
- Customers asked what happens to Opex that is underspent relative to QCA allowance. *Cameron informed customers that QCA recommended Opex allowance was set and forget. This applies if Opex is overspent as well.*
- Customers interested in bottom line prices. *Cameron informed customers that Seqwater is keen to engage with customers on expenditure/service trade off during phase 2 of our engagement plan, customers were receptive to this.*
- Customers expressed they are less likely to engage when water is available and when there are no issues to speak of. Customers assured us that if issues arise, they will actively engage.
- Seqwater’s loss allocation entitlement (3714ML) was discussed regarding the impact on scheme prices. To undertake a review to ascertain if this loss entitlement is too much, Seqwater would need to accurately measure current losses, implement system improvements to reduce losses then validate the loss savings (through an external consultant) and apply to the department for approval to amend the loss allocation entitlement. The costs vs benefits does not add up. Customers consider that the current loss allocation within the scheme is likely to be less than the actual losses.
- Customers suggested that in times when water is available customers could pay additional revenue which could be set aside to offset prices when water is unavailable.
- Customers are keen to understand drivers for any significant repair and maintenance works proposed for next price path period.

Next meeting Suggestions

A recommendation that if there is any significant work being undertaken within the scheme that a field trip to look at the assets be organized for the CRG members so they get a better understanding.

How customers can give feedback during this current price review

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

Next meeting

Next meeting to be held in August/September 2023 and if any significant work is being undertaken that a field trip be arranged for the CRG members.

Meeting closed at 11.50am