

## Customer Reference Group – Meeting Summary

<b>Date and Time</b>	9 May 2023 2:00pm
<b>Location</b>	The Club, Beaudesert
<b>Attendees</b>	Seqwater – Petrina Douglas, Wendy Scott, Cameron Stewart, Nick Skewes CRG Members – Graham Drynan, David Coates, Ken Harvey, Steve Struss, Lynn Davidson, Sean Boyers Visitors – Alana Davidson, Nic Coates
<b>Apologies</b>	Tony Finch, Mark Platell
<b>Purpose</b>	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?

### 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/logan-river-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.*
- We discussed idea of implementing payment plans during times when water is unavailable to mitigate the impact on customers.
- Customers expressed desire to maintain current 80/20 fixed/variable cost allocation.
- Customers are interested in understanding proposed price path expenditure impact on prices. *We informed customers we will be seeking to engage with them on expenditure/price trade-off as part of phase 2 of our engagement plan.*
- Customers expressed an interest in access flood waters through a water harvesting allocation. *Seqwater advised that water harvesting is a department product. The Moreton Water Plan 10 year review is coming up in 2026, this may be an opportunity for more water harvesting allocations, so customers should start conversions with the department now. But reiterated that water harvesting allocations are not Seqwater’s expertise.*
- Customers want to explore opportunities for more water allocations without increasing costs, for example, more allocation from Maroon Dam due to Wyaralong WTP coming on board to supply high priority urban customers, allowing flood harvesting.
- Customers asked whether building offstream storages is a viable means to provide more water. *Seqwater advised that building new offstream storages is expensive.*
- Customers asked what Seqwater is doing to grow its irrigation business to allow irrigators to grow their business.
- Customers want more reliability attached to their current allocations. At present their allocations start to reduce when Maroon Dam falls below 60%, they consider this trigger could be reduced to provide more reliability given:
  - Wyaralong is coming on board to improve urban water security; and
  - they are the ones who paid for Maroon Storage.

- Customers consider it unfair that additional high priority water is made available for future urban customers, whilst no additional water is made available to current irrigation customers.
- Seqwater advised customers that Seqwater are analysing urban demand annually and are taking spare water each year (if any) to the temporary transfer market and interested customers can purchase this water through water exchange, which is a transparent, independent online water trading platform, managed by Ruralco Water.
- Customers want detailed metering costs underpinning overall costs given their significance, in particular meter validation costs *Seqwater explained meter validation costs are compliance driven and Seqwater is exploring whether it would be cheaper to undertake meter validation inhouse.*
- Customer asked whether dam safety costs are recovered through irrigation prices. Seqwater confirmed that dam safety costs are not recovered through irrigation prices, however 5 year and 20-year dam safety inspections are.

## Actions

- Seqwater to set up a meeting as soon as possible to further discuss what options are available to increase water security with Seqwater John West, Seqwater's Principal Water Resource Advisor.
- Seqwater to review the Asset Restoration Reserve balance for 2021-22 as published in the 2022-23 Scheme Performance Report and report back.

## 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
- A meeting to discuss options for water security to be scheduled as soon as possible with CRG Members and Principal Water Resource Advisor from Seqwater.

## Meeting closed at 3:45pm