



# Cedar Pocket WSS

**Scheme Performance Report 2023-24**

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## 1. Introduction

The Scheme Performance Report (SPR, formerly known as the Network Service Plan) is a key component of Seqwater’s consultation with its customers and is intended to provide useful and helpful information. It provides a wholistic overview of scheme performance including historical water usage, budgeted and actual operational expenditure, forecasting operational expenditure, renewals and annuity fund balances.

Seqwater encourages comments and suggestions on the content of this SPR as this forms a valuable part of the scheme’s operations and planning process. Customers may provide feedback via phone, email or post:



1300 737 928



[irrigators@seqwater.com.au](mailto:irrigators@seqwater.com.au)



Seqwater

PO Box 328

IPSWICH QLD 4305

## 2. Our Scheme

The Cedar Pocket Water Supply Scheme was established following the construction, in 1985, of the Cedar Pocket Dam to provide irrigation water for the local dairy industry.

The Scheme is regulated under the Cedar Pocket Water Supply Scheme Resource Operations Licence (ROL) and the Cedar Pocket Water Supply Scheme Operations Manual. The Scheme consists of bulk water supply assets only. The Scheme has no distribution systems, with all irrigators taking their water supply directly from the natural water courses. Releases from the Dam are made manually.

### 2.1. Our Customers

The following table sets out the distribution of water allocations amongst types of customers.

**Table 1: Ownership of water allocations**

Customer type	Number of customers	Medium priority (ML)
Irrigators	12	490
Non-Irrigators	1	5
<b>Totals</b>	<b>13</b>	<b>495</b>

Source: Seqwater (2023)

### 2.2. Working Together

Seqwater is committed to customer centricity by implementing improvements for future efficiencies and by fostering a positive customer journey. Seqwater is committed to listening to its customers daily through engagement at Customer Irrigation Forums, meetings with Customer Reference Groups Representatives and via a yearly Customer Survey and information bulletins as necessary.

Seqwater has conducted the Customer Survey via SMS and email over the past three years. These surveys play a vital role in allowing all irrigation customers to provide feedback to Seqwater for any future initiatives and improvements for the scheme that may make it easier for our customers to do business with us.

The Irrigation Customer Forum was held in March 2023 and was well attended by irrigation customers. This forum was the start of Seqwater's engagement for the upcoming price review for the 2025-29 irrigation prices. Seqwater shared with customers how irrigation prices are set and heard from our customers what is important to them and what we need to reflect on when setting proposed costs for future pricing periods.

Future forums will be conducted in the months of October to November of each year. These forums allow Seqwater to share knowledge and information on the Irrigation scheme and its operations. The Forum covers different aspects of the business including an operations overview, costs, pricing and forecast storage capacity. This also allows irrigation customers to interact with Seqwater staff face to face, ask questions and to offer their views for future scheme opportunities.

Customer Reference Group (CRG) meetings were held throughout the year with Seqwater engaging on the scheme's performance and operations and the upcoming QCA Price Review. Meeting summaries are published on our website for more detail. Feedback from the members of the CRG's is that they are appreciating the openness and transparency at these meetings.

### 2.3. Our Service Targets

Service Targets help Seqwater better understand how our services meet our customers water needs. These have been based on consultation with our customers to develop water supply arrangements to deliver water as efficiently as possible for our customers in the Cedar Pocket Water Supply Scheme. The table below shows that Seqwater met the agreed performance against the agreed Service Targets over the last two years.

**Table 2: Service Targets 2021-22 and 2022-23**

Notification		Target	Performance	
			2021-22	2022-23
	Shutdowns planned to exceed 2 weeks	8 weeks	Nil	Nil
	Shutdown to exceed 3 days < 2 weeks	2 weeks	Nil	Nil
	Shutdown < 3 days	5 days	Nil	Nil
	Shutdowns will be fixed so at least partial supply can be resumed	48 hours	Nil	Nil
	Interruptions greater than above	> 48 hours	Nil	Nil
	Interruption to supply	Earlier of 24 hrs & end of 1 <sup>st</sup> business day	Nil	Nil
	Interruptions to supply per water year	6 events	Nil	Nil
	Faults causing restriction to supply after Seqwater has been notified	1 working day	Nil	Nil
	Initial response to complaints via post, email, or telephone.	5 working days	Nil	Nil
	Resolution or response to complaint on why it has not been or cannot be resolved within period of receiving complaint	21 days	Nil	Nil

Source: Seqwater (2023)

## 2.4. Our Water

The announced allocation determines the percentage of nominal water allocation volume that is available in each water year. However, it should be noted that under the Operations Manual, in a water year in which Cedar Pocket Dam overflows, customers may take up to 200% of their nominal allocations.

The following table sets out the announced allocations for the current year plus the historical position since 2007-08.

**Table 3: Announced allocations history**

Year	MP %	Year	MP %	Year	MP %
2007-08	38-100	2013-14	100	2019-20	100
2008-09	100	2014-15	99-100	2020-21	84-100
2009-10	100	2015-16	100	2021-22	96-100
2010-11	100	2016-17	100	2022-23	100
2011-12	100	2017-18	96	2023-24	70
2012-13	100	2018-19	100		

Source: Seqwater (2023)

**Figure 1: A new 80mm meter installed on the Cedar Pocket Scheme**



Source: Seqwater (2023)

## 2.5. Cedar Pocket Dam

**Figure 2: Divers inspecting downstream of Cedar Pocket Dam**



Source: Seqwater (2023)

**Figure 2.1: Divers inspecting downstream of Cedar Pocket Dam**

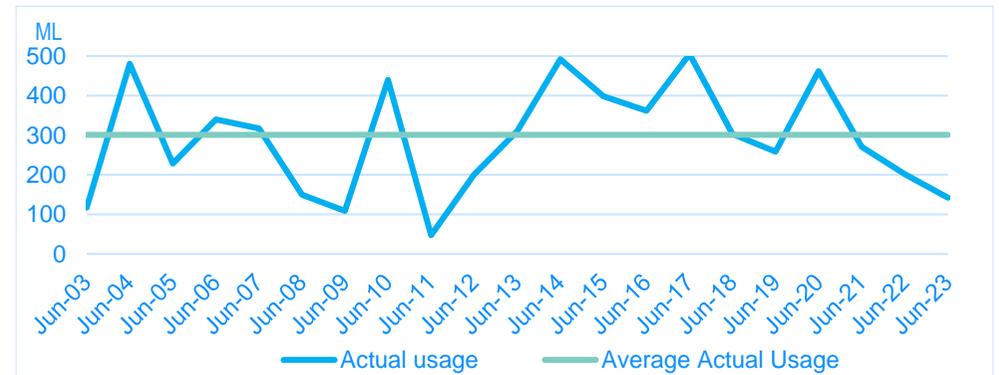


Source: Seqwater (2023)

## 2.6. Water Usage

The below chart shows the actual water usage per year from 2002-03 to 2022-23. It also shows the average water usage over the 20 year period. The water usage for last year, which was 59ML lower than the previous 2021-22 year.

**Figure 3: Cedar Pocket Water Supply Scheme Annual Water Usage 1 July 2002 to 30 June 2023**



Source: Seqwater (2023)

## 2.7. Seasonal Water Assignments (Temporary Transfers)

A seasonal water assignment (Temporary Transfer) allows two customers to transfer available water to each other within a water year. The following chart sets out the volumes of temporary transfers by year from 1 July 2008 to 30 June 2023.

Since 1 July 2020 if customers in the Cedar Pocket Water Supply Scheme have declared the sale price of their temporary transfer at time of application, then Seqwater has published the price on its website.

Providing publicly available, meaningful and high-quality market activity information allows better business planning and risk management for water users in this scheme. The information published is generic information and all personal information is withheld.

You can find all the temporary trade information that Seqwater hold for your scheme [here](#).

The following chart sets out the annual volumes (ML) of water traded in the Cedar Pocket WSS from the 2008-09 water year.

Figure 4: Temporary transfer (seasonal assignment) volume (ML) Traded 1 July 2008 to 30 June 2023



Source: Seqwater (2023)

## 2.8. Our Operations

The table below sets out the bulk water assets, owned and operated by Seqwater, that comprise the scheme.

Table 4: Bulk water assets

Dams	Weirs	Off-stream storages	Other bulk water assets
Cedar Pocket Dam	Nil	Nil	<ul style="list-style-type: none"> <li>Downstream measuring flume</li> <li>Customer water meters</li> </ul>

Source: Seqwater (2023)

Cedar Pocket Dam started the 2022-23 water year at 101.2% capacity (744.11ML) and finished at 69.7% capacity (512.17ML)

The start of the 2022-23 water year saw the operations team cleaning up and undertaking repairs from the March 2022 floods. A project to address sinkholes and the rerouting of electrical conduits from underground on the downstream toe of the dam to the concrete face was initiated in 2022. The project also included the installation of 2 vibrating wire peizometers in the crest of the dam to monitor the water levels in the embankment. The project was completed in July 2023.

**Figure 5: Cedar Pocket Dam damage to handrails from flood.**



Source: Seqwater (2023)

**Figure 5.1 Cedar Pocket Dam damage to handrails from flood repaired.**



Source: Seqwater (2023)

**Figure 6: During the cable rerouting and sinkhole project.**



Source: Seqwater (2023)

Figure 7: Completed works showing conduits on the concrete face.

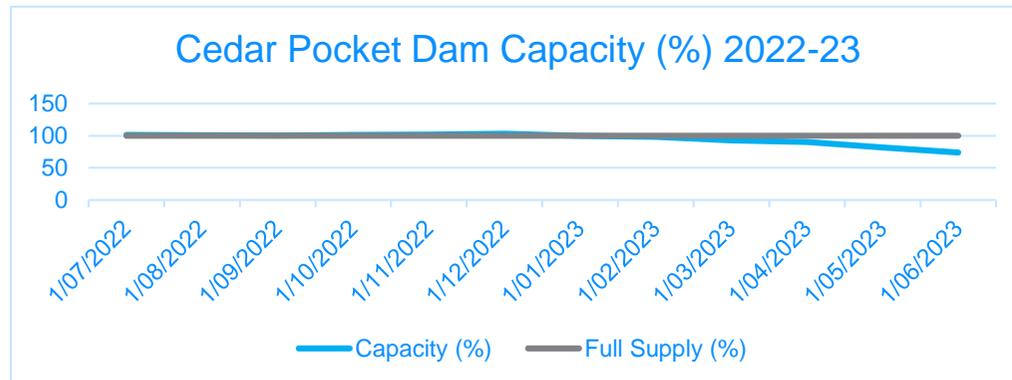


Source: Seqwater (2023)

## 2.9. Storage Capacity

The following chart shows the storage capacity (%) of Cedar Pocket Dam during the 2022-23.

Figure 8: Cedar Pocket Dam storage capacity 2022-23



Source: Seqwater (2023)

## 2.10. Our Water Prices

### 2.10.1. Irrigation water charges for 2023-24

Seqwater's responsible Ministers issued the Seqwater Rural Water Pricing Direction Notice (No. 1) 2023 which sets the rural irrigation water prices and associated fees Seqwater must charge from 1 July 2023 to 30 June 2025.

The table below shows the Cedar Pocket tariff group's discounted price that irrigators are paying (includes 15% discount), the QCA approved cost reflective prices.

Table 5: Cedar Pocket WSS irrigation regulated prices and cost reflective prices (Nominal \$/ML)

Tariff Type	Your Price 2023-24 \$/ML	Cost Reflective Price 2023-24 \$/ML	Subsidy 2023-24 (%)
Fixed (Part A)	26.66	\$366.93	93
Volumetric (Part B)	38.91	\$76.02	49

Source: Seqwater 2023, Rural Water Pricing Direction Notice (No. 1) 2023 and Queensland Competition Authority, Final Report, Rural Irrigation Price Review 2020-24 Part C: Seqwater, January 2020.

## 2.10.2. Non-Irrigation water charges for 2022-23

Seqwater sets the non-irrigation water price using the costs adopted by the QCA in their 2021-24 irrigation price review adding a return of capital and return on capital values.

**Table 6: Non-irrigation process (Nominal \$/ML)**

Tariff Type	Non-irrigation Price 2023-24 \$/ML
Fixed (Part A)	<b>920.47</b>
Volumetric (Part B)	<b>76.02</b>

Source: Seqwater (2023)

## 3. Our expenditure

Seqwater's costs are subject to review by the QCA at the end of each price-path, which commenced on 1 July 2020 for four years to 2024. The following table sets out Seqwater's detailed actual expenditure compared to the 2022-23 target costs which was extrapolated from the expenditure recommended by the QCA in the 2020-24 price review.

Also shown is the detailed expenditure recommended by the QCA for 2023-24. Explanations of material variations are set out in the following table.

**Table 7: Operating costs budget and actuals for 2022-23-22 and operating costs budget 2023-24 (\$Nominal)**

Expenditure Item	2022-23		2023-24	2024-25
	QCA Forecast (\$)	Actual (\$)	QCA Forecast Target (\$)	QCA Extended
<b>Direct operating costs</b>				
Labour	67,123	63,396	68,955	133,031
Electricity	388	398	393	71,093
Repairs and maintenance	15,882	12,362	16,299	16,761
Other	27,963	34,154	28,679	401
Rates	7,257	22,502	7,439	29,439
Dam Safety	-	\$2,350	2,786	7,625
<b>Total Direct operating costs</b>	<b>118,613</b>	<b>135,161</b>	<b>124,551</b>	<b>258,350</b>
<b>Non-direct operating costs</b>				<b>0</b>
Operations	60,735	57,323	62,253	63,809
Non-infrastructure	2,176	3,421	2,230	2,286
Insurance	7,341	7,073	7,524	7,712
<b>Total non-direct costs</b>	<b>70,251</b>	<b>67,817</b>	<b>72,008</b>	<b>73,808</b>
<b>Total operating costs</b>	<b>188,864</b>	<b>202,978</b>	<b>196,559</b>	<b>332,158</b>

Source: Seqwater (2023) QCA Final Report, Seqwater Irrigation Price Review 2020-24 (February 2020)

Notes:

(1) Labour and repairs and maintenance costs slighter higher than budget due to wet weather events.

- (2) Other costs were lower than budget because of the wet weather events and not much other work could be completed due to everything being so wet.
- (3) Increased rates due to the differential rate classification by the council.
- (4) Dam safety legislation changes, owners of dams cannot complete own inspections, these need to be outsourced now.
- (5) Corporate operating cost share was greater than budget because higher direct costs attract a higher cost share.
- (6) Increased corporate costs results in a higher share of indirect costs.

### 3.1. Our Annuity

The balance of the renewal annuity funds is recorded in the Asset Restoration Reserve (ARR). These funds are reserved for renewals projects in the Cedar Pocket Water Supply Scheme. The ARR accounts for 2022-23 for this scheme is presented below.

**Table 8: Cedar Pocket WSS ARR (\$Nominal)**

Asset Restoration Reserve	2022-23 (\$)
Opening Balance 1 July	-155,996
Interest for year*	-6,817
Revenue for year- irrigation	4,853
Expenditure for year	-3,320
Closing Balance 30 June	-161,280

Source: Seqwater (2023)

\* The interest rate is based on the Queensland Competition Authority's recommended weighted average cost of capital (WACC) of 4.37% post-tax nominal.

## 3.2. Our Renewals

### 3.2.1. 2022-23 renewals

There were no renewal projects undertaken in the Cedar Pocket Water Supply Scheme during 2022-23. However, there was \$3,320 spent on the new Water Accounting and customer portal IT project.

### 3.2.2. 2022-23 forecast renewals

There are no renewals scheduled for Cedar Pocket Water Supply Scheme in 2022-23.

### 3.2.3. Asset planning

Seqwater has an Asset Portfolio Master Plan (APMP). The renewals projects for irrigation schemes in the APMP were reviewed by the QCA during the 2020-24 price review and were found to be prudent and efficient.

At this time, there are no renewal projects forecast for the next 5 years. This forecast is updated each year.

**Figure 9: View of Cedar Pocket Dam**



Source: Seqwater (2023)