

# **Burdekin Haughton Water Supply Scheme**

**Scheme Summary**

## **Irrigation pricing proposal**

**1 July 2025 to 30 June 2029**

## Context

Burdekin Haughton Water Supply Scheme (Burdekin) prices were set (gazetted) for the period 2020-21 through to 2024-25 (current period) via Rural Pricing Direction Notices issued by the Queensland Treasurer in 2020<sup>1</sup>, 2021<sup>2</sup> and 2023<sup>3</sup>.

In early 2023, the Queensland Government directed the Queensland Competition Authority (the QCA) to recommend prices for Burdekin Haughton irrigation services for the next price path period, covering **1 July 2025 to 30 June 2029**.

This scheme level summary forms part of Sunwater's submission to the QCA and provides irrigation customers with an overview of our proposal. It should be read in conjunction with the complete submission and includes:

- proposed prices and their basis
- engagement with customers, their feedback and how it was addressed
- operating and renewals expenditure forecasts
- the overall revenue requirement.

This scheme provides both a bulk water (supply) and a channel distribution (distribution) service.

## Entitlements and usage

Burdekin Supply holds total water access entitlements (WAE) of 1,079,592ML (**Figure 1**). Most entitlements are medium priority and held by customers who use water for irrigation purposes.

Consistent with the 2020 irrigation price review (the 2020 review) Sunwater has made a pricing adjustment to scheme loss entitlements, setting the efficient level of distribution losses at 130,546ML. Further discussion of distribution losses is provided in the submission document.

The remaining 949,045ML (**Figure 1**) has a long-term (20-year) average annual usage in the scheme of 573,507ML per annum (equivalent to 53.1 per cent of total WAE, down from 54.9 per cent at the time of the 2020 pricing review).

The distribution system holds 335,000ML of WAE, after the exclusion of 110,000ML of entitlement held in reserve for the Townsville-Thuringowa Water Supply Joint Board (consistent with the 2020 review).

Long-term (20-year) average annual usage in the distribution scheme is 336,827ML per annum (equivalent to 62.2 per cent of applicable distribution system WAE<sup>4</sup>, down from 65.0 per cent at the time of the 2020 pricing review).

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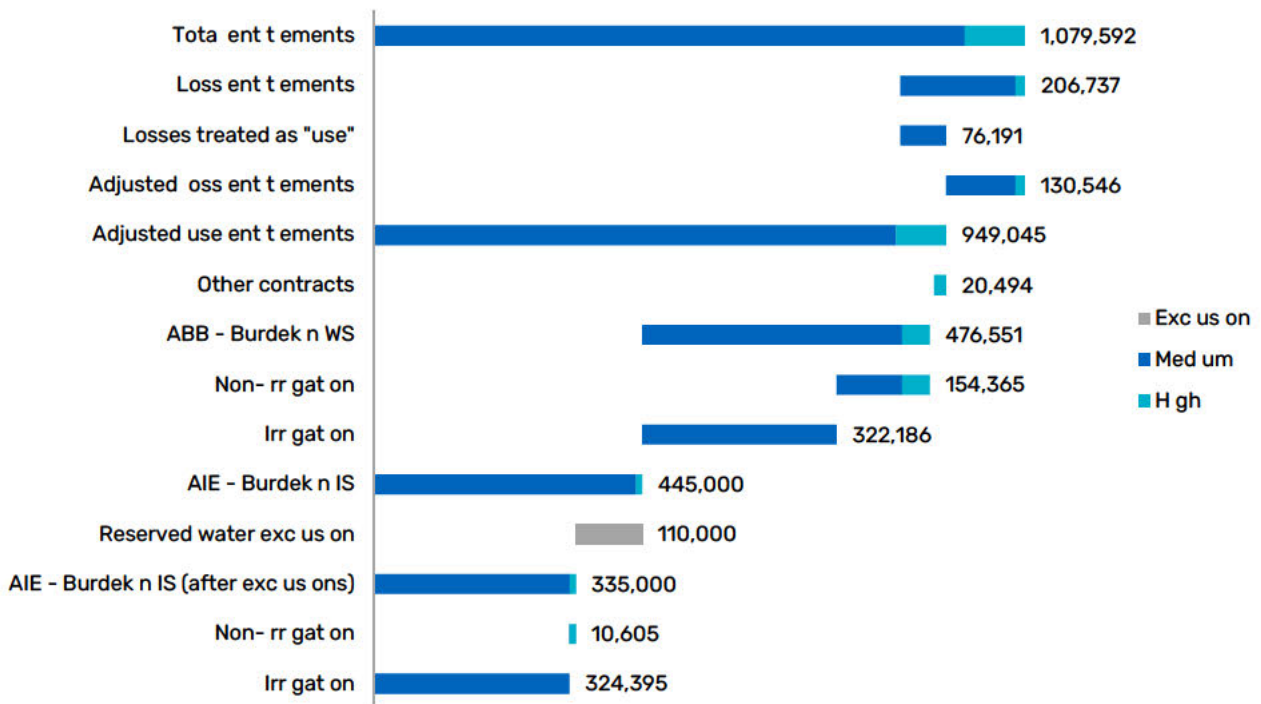
<sup>1</sup> Queens and Government Gazette No. 67(July 2020) *Sunwater Rural Water Pricing Direction Notice (No. 1) 2020*

<sup>2</sup> Queens and Government Gazette No. 25 (June 2021) *Sunwater Rural Water Pricing Direction Notice (No. 1) 2021*

<sup>3</sup> Queens and Government Gazette No. 54 (March 2021) *Sunwater Irrigation Water Pricing Direction Notice (No. 1) 2023*

<sup>4</sup> Consistent with the 2020 Review approach, this percentage is calculated against entitlements held in the distribution system, less the Townsville-Thuringowa reserved volume, plus loss entitlements; a total of 541,737ML

Figure 1 - Burdekin Haughton water access entitlements (as at 30 June 2023)



## Tariff groups

Burdekin Haughton has a supply (Burdekin Haughton) and three distribution tariff groups (Burdekin Channel, Burdekin Channel – Gladys Lagoon (other than natural yield) and Burdekin Channel – Giru Groundwater).

The three distribution service tariff groups have the same cost reflective price and are not differentiated on cost and level of service.

The Burdekin Channel and Burdekin Channel – Gladys Lagoon tariff groups have common recommended prices. The third Burdekin Channel tariff group – Giru Groundwater – differs due to historical pricing practices / policies. It is currently transitioning to parity with the other two Burdekin Channel tariff groups.

## Customer tariff feedback

Sunwater acknowledges that customers in the Burdekin Channel – Giru Groundwater (Giru customers) continue to raise concerns with the alignment of their cost reflective price with the other two tariff groups in the distribution service.

Giru customers are seeking a lower target price on the basis of a lower cost to serve and/or lower standards of service.

There is clear disagreement from customers in the Giru and non-Giru tariff groups around the nature of the issues and any proposed pricing solutions.

## **Sunwater's response**

Sunwater's view is that current pricing practices reflect an appropriate pricing response to the policy settings contained in the *Water Plan (Burdekin Basin) 2007*.

Sunwater does not have any information that would support the QCA rescinding the findings it made at the 2020 review in relation to cost-to-serve and service levels.

Sunwater does not propose any changes to the way in which costs are assigned and cost-reflective prices are calculated for the Burdekin distribution service.

Sunwater's preference is for the continuation of current cost allocation and pricing practices in this scheme, and notes that any holistic review of cost allocation would require considerable time (at least two years) given the competing customer positions, and may lead to unexpected outcomes including the creation of more than two effective tariff groups within the distribution service.

# Proposal in summary

During engagement with scheme customers, Sunwater outlined proposed operating costs and renewals expenditure required to deliver irrigation services over the next price path period; required revenue and price calculations; as well as two potential cost recovery changes with implications for customer prices.

## Stage three engagement update

Sunwater notes that final prices presented in Stage 3 included indicative Part E (fixed electricity charges) and Part F (consumption-based electricity charges) alongside Part A / C and Part B / D charges. In some instances, presenting this material to customers led to concerns that adopting a pass-through would not be in their best interests, contrary to their earlier feedback.

Consistent with our position throughout our engagement with customers, Sunwater does not wish to pursue an electricity cost pass-through mechanism in the absence of customer support.

As a result of our Stage 3 engagement activities, Burdekin Haughton customers indicated (refer **Appendix**) they no longer support the ECPT proposal in its current form.

Balancing what we heard from customers with the benefits and risks of these changes we propose to:

1. recover renewals expenditure via a regulated asset base (RAB) methodology

2. refresh our Service and Performance Plans (S&PPs)
3. rescind our proposal to introduce an electricity cost pass-through mechanism and note that Burdekin Haughton and Bundaberg representative groups are working together on an alternate proposal.

Further information relating to engagement outcomes is provided in the following section.

## Proposed prices by tariff group

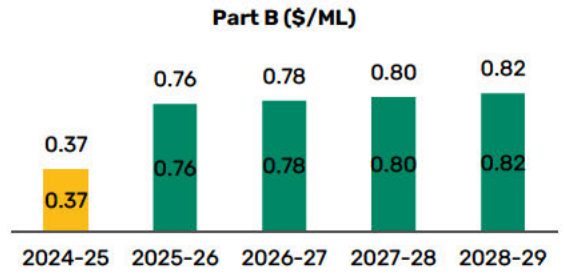
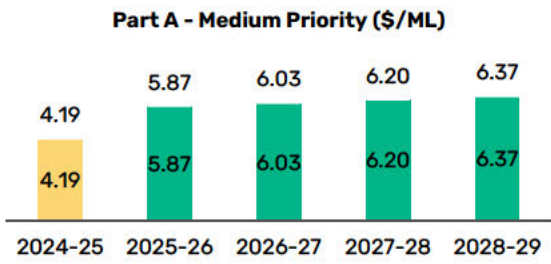
The prevailing price for 2024-25 is shown for comparison purposes with forecast prices for the review period. All discounts have been removed for ease of comparison. The green bars within the below chart reflect recommended irrigation prices for the price path period. Values shown at the top of the chart reflect cost-reflective prices for the charge. The grey bar element reflects the component of cost-reflective prices that Sunwater recovers via a community service obligation payment from the Queensland Government.

Prices reflect a RAB methodology and an electricity cost pass-through mechanism.

### Legend:

- / ■ Irrigation price (gazetted)
- / ■ Recommended irrigation price (proposed)
- / ■ Cost reflective irrigation price (proposed)

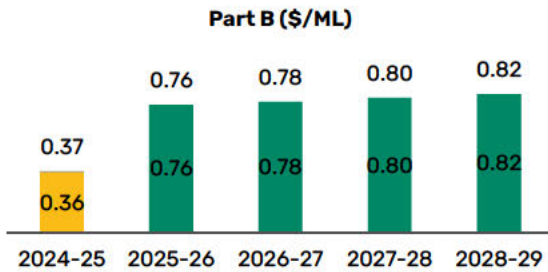
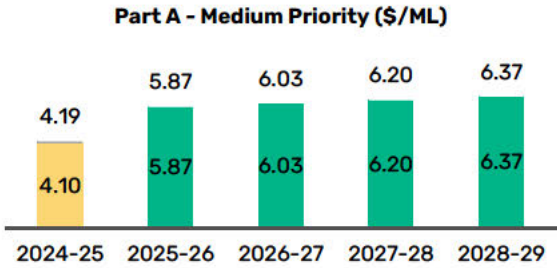
# Burdekin Haughton



# Burdekin Channel / Burdekin Channel – Gladys Lagoon

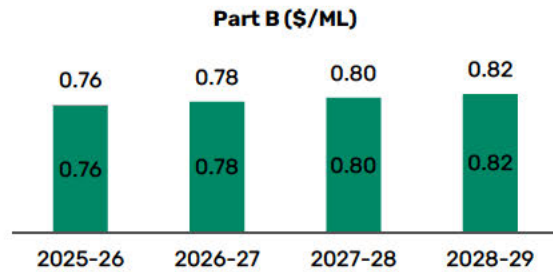
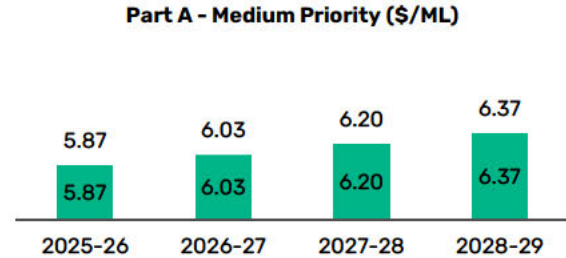
## Prices *inclusive* of electricity

Part A and Part B cost reflective charges are unaffected by the pass-through proposal

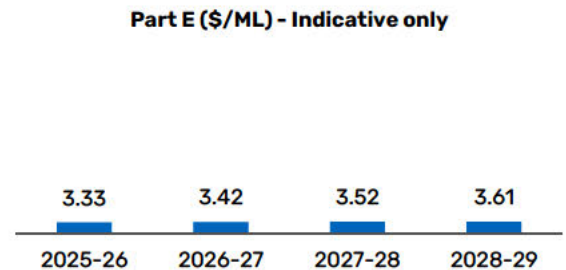
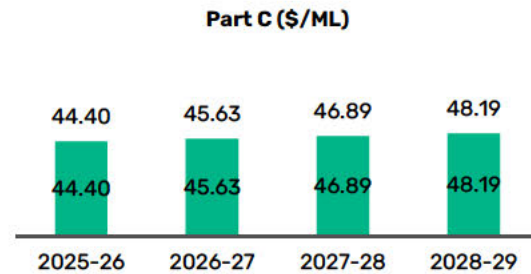
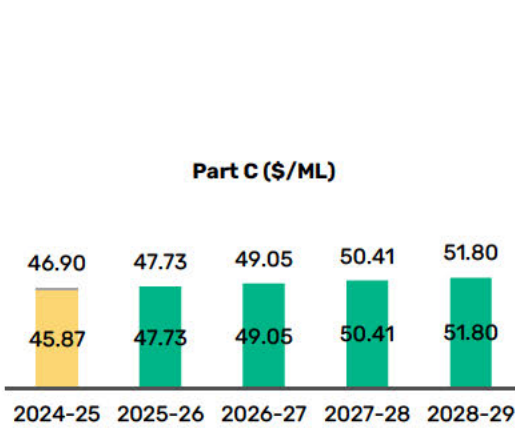


## Prices under pass-through

Recommended Part A and Part B charges are calculated as a bundle with Part C and Part D charges and may differ under a pass-through

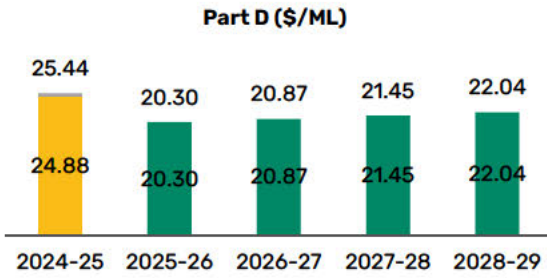


The Part C charge will be split into a Part C and a Part E charge under a pass-through



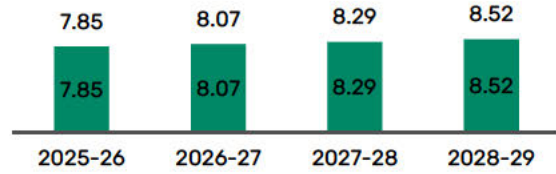
**Prices inclusive of electricity**

*The Part D charge will be split into a Part D and a Part F charge under a pass-through*

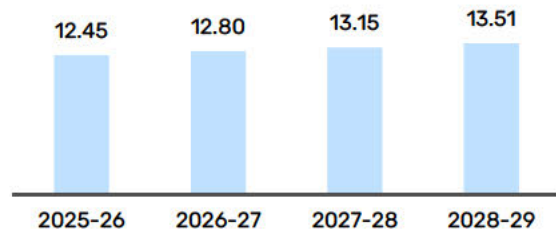


**Prices under pass-through**

**Part D (\$/ML)**



**Part F (\$/ML) - Indicative only**

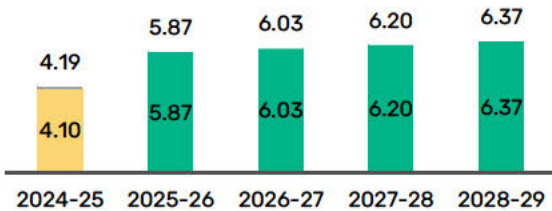


**Burdekin Channel – Giru Groundwater**

**Prices inclusive of electricity**

*Part A and Part B cost reflective charges are unaffected by the pass-through proposal*

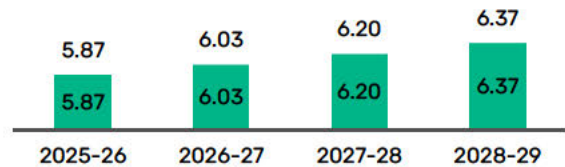
**Part A - Medium Priority (\$/ML)**



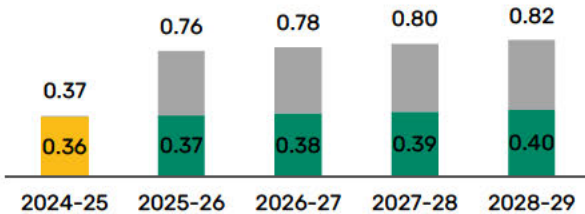
**Prices under pass-through**

*Recommended Part A and Part B charges are calculated as a bundle with Part C and Part D charges and may differ under a pass-through*

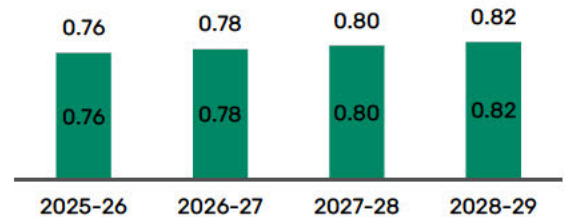
**Part A - Medium Priority (\$/ML)**



**Part B (\$/ML)**



**Part B (\$/ML)**

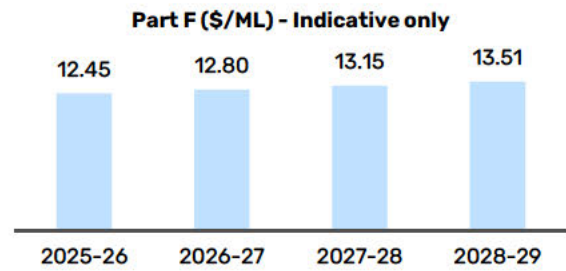
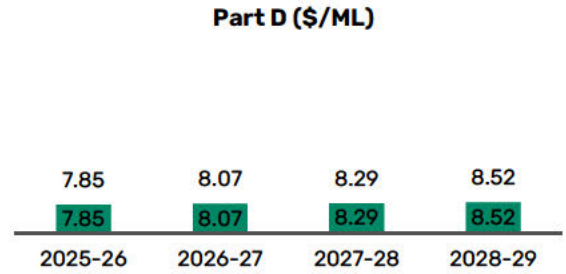
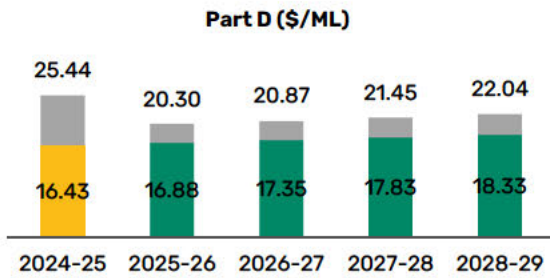
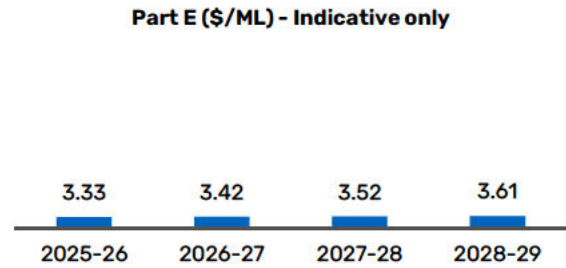
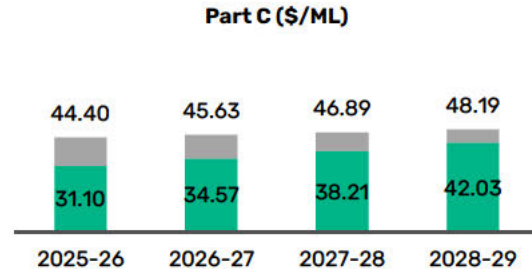
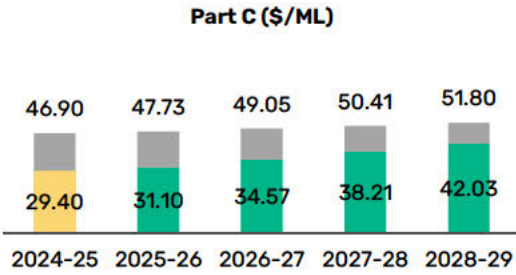




**Prices *inclusive* of electricity**

**Prices under pass-through**

*The Part C charge will be split into a Part C and a Part E charge under a pass-through*



# Engagement

Sunwater contacted all Burdekin Haughton irrigation customers multiple times during the development of the pricing proposal.

## How we engaged

Over the course of the last price path Sunwater has implemented a series of initiatives to improve customer experience and enable us to better understand and meet customers' needs and expectations. These initiatives include the Sunwater Customer App, the Online Portal, the introduction of the Water Trading Board, a formalised complaints and feedback process, and the establishment of Customer Advisory Committee forums.

Reflecting this shift, Sunwater established a three-stage stakeholder engagement strategy for this price path to inform and consult with customers during the submission development process.

We ensured every irrigation customer who wanted to engage could do so, by hosting:

- face-to-face customer meetings in this scheme during each of the three stages of engagement
- three online forums open to irrigation customers in all schemes.

We distributed and published project communication materials, including fact sheets and copies of presentations delivered at meetings, to ensure all customers had the opportunity to:

- learn about how irrigation prices are set
- review draft future costs and prices
- learn about and provide feedback on proposed changes to:
  - Service and Performance Plans
  - renewals expenditure recovery through irrigation prices
  - a permanent, symmetrical electricity cost pass-through mechanism.



- ✓ Dedicated project website and email



- ✓ 2 formal customer submissions
- ✓ 1 scheme summary report



- ✓ Emails and SMS sent about proposals and GoVote process
- ✓ Invitations sent via email, SMS and letter
- ✓ SMS reminders



- ✓ Irrigation Customer Invoice Calculator



- ✓ Five fact sheets
  - RAB
  - ECPT
  - S&PPs
  - Stage 1 & 2 scheme specific overviews



- ✓ 3 face to face meetings
- ✓ 3 online meetings

## What we heard

During our meetings we discussed matters of interest (**Table 1**) to Burdekin Haughton customers. Generally, we were able to address questions and queries in the meetings.

Based on discussions with customers during these meetings, Sunwater has provided additional information on renewals expenditure in our Stage 3 engagement material on future costs for the scheme (depicted by cost spikes in the renewals forecast).

This information is contained in the **Expenditure Focus** section of this summary.

## GoVote

Forty-three Burdekin Haughton customers responded to the online survey, representing approximately 17.6 per cent of eligible irrigation customers. Customers received multiple communications about the opportunity to participate from both Sunwater and the provider, GoVote.

For a full explanation of the GoVote process and how Sunwater used this information to finalise its proposal, refer to the Customer Engagement chapter of Sunwater's pricing submission.

Table 1 - Key customer interests

Forum details	Attendees	Key customer interests
<b>Stage 1 engagement</b>		
<p><i>Forum:</i> Face-to-face engagement with <u>Burdekin Haughton</u> customers</p> <p><i>Theme:</i> Learn how irrigation prices are set and how you can be involved in influencing Sunwater's pricing submission to the QCA</p>	10	Groundwater
<p><i>Forum:</i> Teams webinar, <u>all schemes</u> invited</p> <p><i>Theme:</i> Learn how irrigation prices are set and how you can be involved in influencing Sunwater's pricing submission to the QCA</p>	12	How prices are set - general
<b>Stage 2 engagement</b>		
<p><i>Forum:</i> Face-to-face engagement with <u>Burdekin Haughton</u> customers</p> <p><i>Theme:</i> Draft future prices and the following proposals for customer feedback:</p> <ul style="list-style-type: none"> <li>• changes to Service and Performance Plans</li> <li>• changes to the way renewals expenditure is recovered through irrigation prices</li> <li>• a permanent, symmetrical electricity cost pass-through mechanism in seven schemes.</li> </ul>	16	How Sunwater reduces electricity costs Indirect costs – new billing system QCA's pricing model RAB v annuity – positive and negative annuity balances ECPT – impacts on prices Increased prices – impacts on customers
<p><i>Forum:</i> Teams webinar, <u>all schemes</u> invited</p> <p><i>Theme:</i> Draft future prices and proposals for customer feedback</p>	15	Community Service Obligation
<b>Stage 3 engagement</b>		

<p><i>Forum:</i> Face-to-face engagement with <u>Burdekin</u> <u>Haughton</u> customers</p> <p><i>Theme:</i> Outline Sunwater s pricing proposal, having taken into account customer feedback and preferences</p>	<p>21</p>	<p>GoVote Consultative Committee - how it was formed Customer engagement Support costs Forecasting 12th month of base year in Stage 2 engagement Weir upgrade - captured as CAPEX Dam safety works v Dam Improvement Program Inflation rate Working from home RAB v Annuity - forecast cost spikes and impact on prices under each methodology Query about Government s view on adopting the RAB Scheme maintenance - cost recovery model</p>
<p><i>Forum:</i> Teams webinar, all schemes invited</p> <p><i>Theme:</i> Outline Sunwater s pricing proposal, having taken into account customer feedback and preferences</p>	<p>7</p>	<p>RAB v annuity</p>

## Other feedback

Sunwater received correspondence from the Giru Benefited Area (GBA) Committee objecting to Sunwater’s proposed continuation of 2020 review tariff groups, and from BRIA Irrigators requesting further information about a range of matters (including metering issues and temporary transfers) with a focus on the GBA.

Sunwater has addressed this correspondence and its response in the **Tariff groups** section above as well as in the primary submission.

## Proposal to change the method of renewal cost recovery

This proposal was put forward as a change to all water supply schemes. Considering feedback from all sources (including the GoVote results shown on **Figure 2**, **Figure 3** and **Figure 4**), and the benefits to be gained, Sunwater has included a shift to a RAB-based recovery of renewals expenditure as part of its submission.

Our full reasoning for adopting a RAB-based renewals recovery proposal is outlined in Sunwater’s pricing submission.

Sunwater acknowledges the feedback from Burdekin customers via the GoVote platform and is committed to ongoing engagement with customers in this scheme to help understand and respond to concerns relating to the shift to a RAB methodology.

One of the concerns raised by the Burdekin representative of our Consultative Committee was the long-term effect of the shift. To address this concern, we have included our current forecast of prices for the subsequent two price paths in the **Revenue and Pricing** section of this document along with a brief commentary.

## Proposal to refresh Service and Performance Plans

This proposal was put forward as a change to all water supply schemes. Considering feedback from all sources, and the benefits to be gained, Sunwater proposes to adopt the refreshed S&PPs format and process.

Our full reasoning is outlined in Sunwater’s pricing submission.

**Figure 5** reproduces the overall responses we received during our GoVote process.

## Proposal to recover electricity costs via a pass-through

This was the only proposal Sunwater committed to evaluating and adopting on a scheme-by-scheme basis.

Burdekin Haughton channel customers were able to provide feedback on the electricity cost pass-through mechanism proposal. Twenty-nine “strongly agree” and six “agree” responses were received – accounting for 85.3 per cent of responses received from eligible customers.

Sunwater does not propose to adopt an ECPT mechanism, based on feedback received following Stage 3 engagement activities.

Figure 2 - How schemes responded to the RAB proposal – question and responses

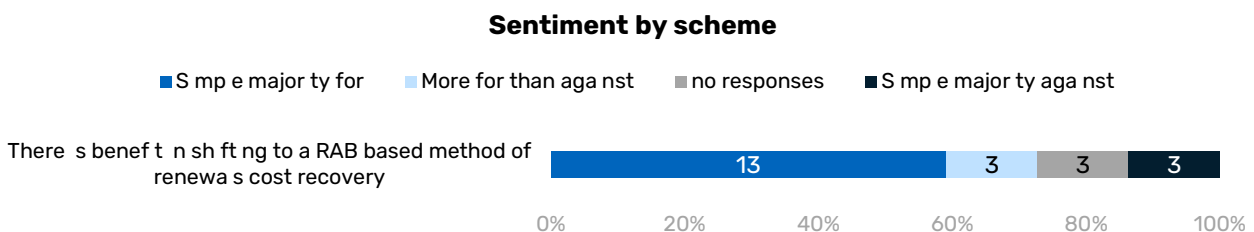


Figure 3 - How Burdekin Haughton responded to the RAB proposal – question and responses

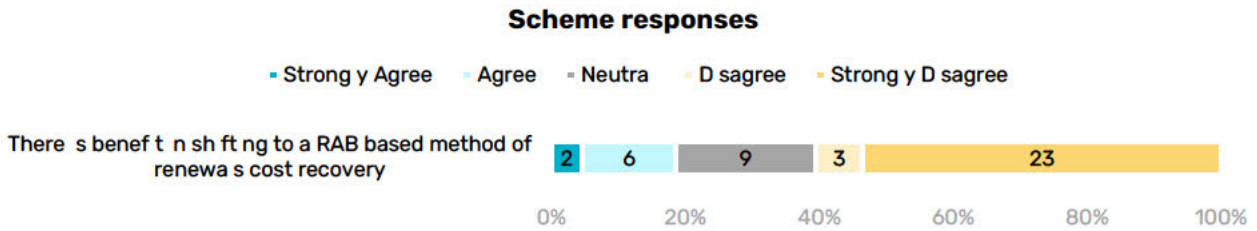


Figure 4 - How Sunwater’s irrigation customers responded to the RAB proposal – question and responses

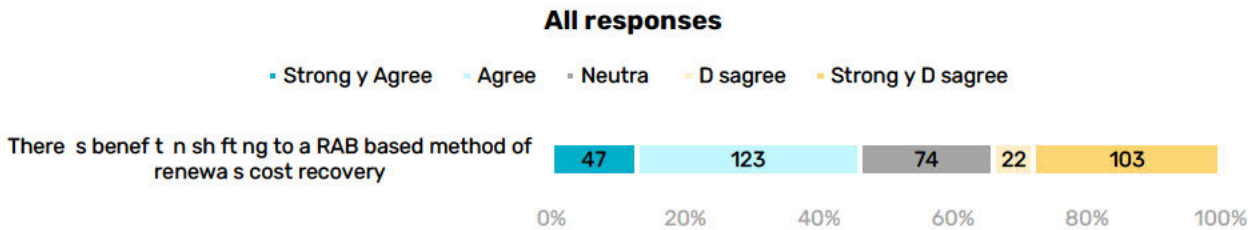


Figure 5 - How Sunwater’s irrigation customers responded to the S&PP proposal – question and responses

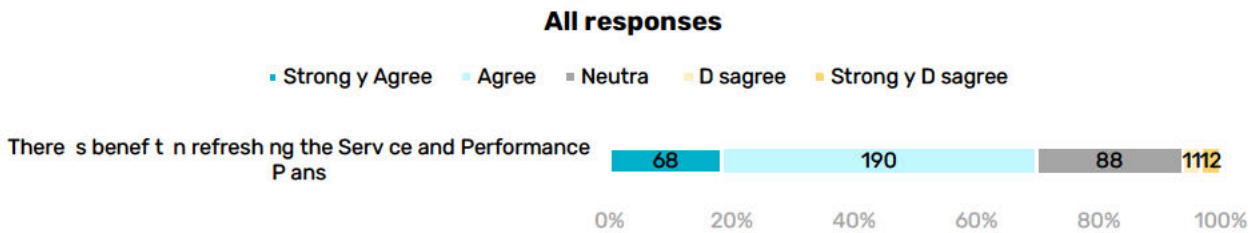
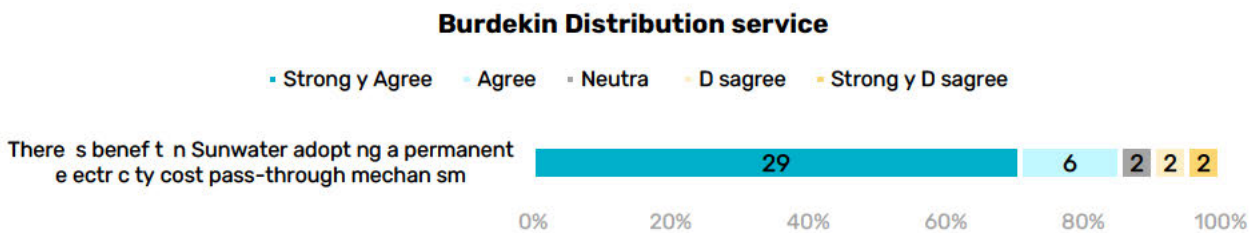


Figure 6 - How Burdekin Haughton customers responded to the ECPT proposal – question and responses



## Service standards

The current service standards that apply for the Burdekin Haughton scheme were included as part of our Stage 2 engagement. These are the customer service standards that drive the work we do and influence operations, maintenance, and renewals expenditure in this scheme.

Table 2 – Service standards for Burdekin Haughton

Service standards	Standard	Target
<i>Planned shutdowns – notification</i>	For shutdowns planned to exceed 2 weeks	8 weeks
	For shutdowns planned to exceed 3 days	2 weeks
	For shutdowns planned to be less than 3 days	5 days
<i>Unplanned shutdowns – duration</i>	During Peak Demand Period	48 hours
	Outside Peak Demand Period	5 working days
<i>Unplanned shutdowns – notification</i>	Affected customers will be notified of the likely duration of the interruption to supply	Within 24 hours of Sunwater learning of the event or by the end of the first business day following the event, whichever is the earlier
<i>Maximum number of interruptions</i>	Planned or unplanned interruptions per water year	10
<i>Meter repairs</i>	Faults causing restrictions to supply will be repaired	2 working days
<i>Complaints and enquiries</i>	Initial response (Acknowledge)	5 working days
	Resolve or provide written response	21 days

# Expenditure focus

This section shows the final forecast operating expenditure (opex) and renewals expenditure for the Burdekin Haughton scheme.

Supply and distribution service forecasts are provided separately.

## Operating expenditure

### Base year (2022-23) – Supply

Sunwater’s opex forecast was developed using the base-step-trend methodology presented in our pricing submission.

Sunwater’s proposed base year (2022-23 actuals after adjustments) of \$4.89M is shown on **Figure 7** and is \$1.43M (41 per cent) higher than the QCA’s allowance for the same year (after adjustment for actual inflation).

This uplift is driven by higher insurance, other (including land tax, rates and vehicle leasing which was previously captured under support costs), direct labour and support costs. Electricity, materials and contractor costs are lower than the comparable QCA allowance.

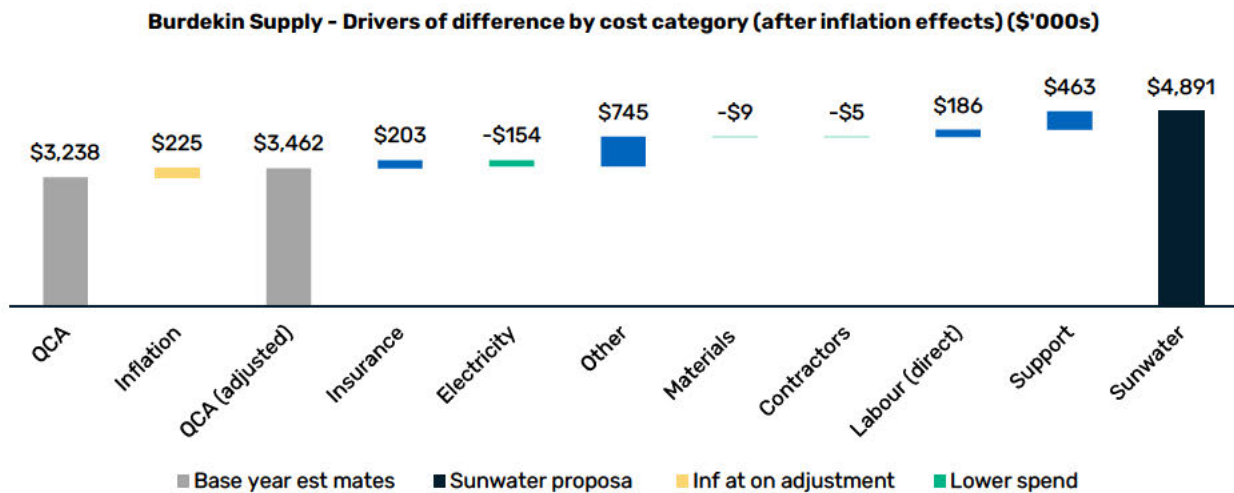
An increase in uncontrollable local authority rates of 61 per cent from 2021-22 to 2022-23 added \$0.22M to the Burdekin supply service, while the remainder of the uplift in this category is driven by a decision to allocate motor vehicle lease costs to other direct costs (previously considered a support cost).

Support costs include indirect activities (those that support a specific direct activity such as dam safety, pricing and regulation, and water planning); and local and corporate support, such as depots, local administration teams and offices, finance, payroll, procurement, human resources, information and communications technology, cybersecurity, and other necessary costs of doing business.

Higher support costs are a function of higher direct labour costs (every dollar of direct labour attracts a support cost allocation) as well as rising costs in this space, in particular information and communications technology. Further information relating to rising support costs is contained in Sunwater’s pricing submission.

Operations and maintenance have been split into other direct costs, materials, contractors, and direct labour.

Figure 7 - Scheme level breakdown of difference between Sunwater's base year and QCA allowance (2022-23)





## Price path forecast – Supply

The Burdekin Supply opex forecast for the price path period is shown in **Table 3**.

The base-step-trend approach to develop our forecasts is described in detail in Sunwater’s pricing submission. In summary, we take the base-year (**Figure 7**) and apply assumptions relating to inflation plus a step change in opex associated with our billing system renewal.

**Table 4** shows how the relative mix of opex cost categories is changing under Sunwater’s forecast prices.

For each dollar of total opex spent, the percentages shown reflect the cents the category contributes.

Forecast premium increases mean that insurance costs will account for a more significant portion of total opex for Burdekin Supply over the price path period.

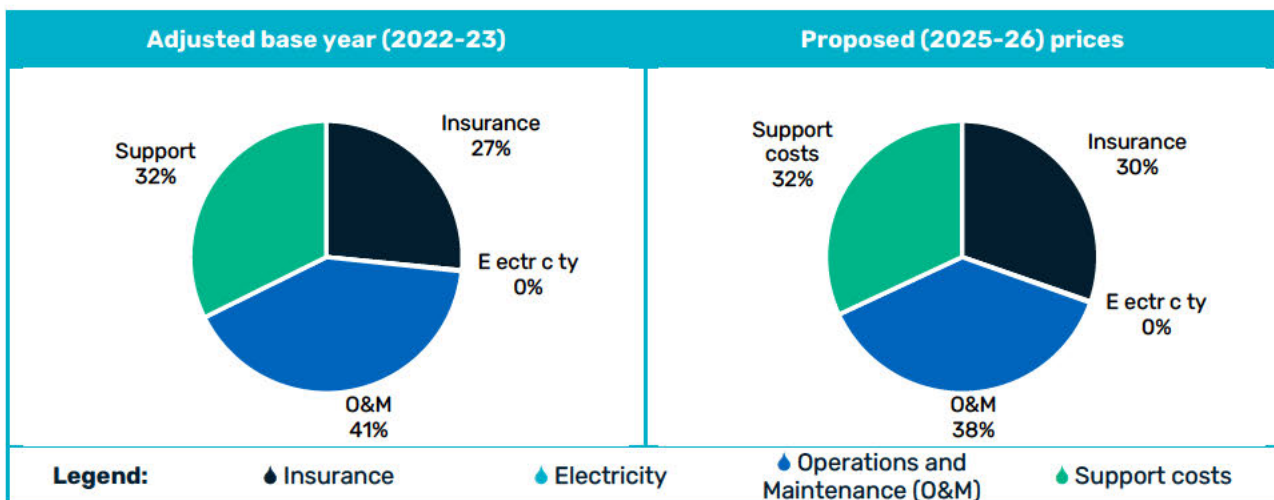
Renewals opex has not been included in this table as it is a new category that applies under a RAB-based recovery of renewals expenditure.

Table 3 - Burdekin Supply – Opex forecasts for price path period ('000s)

Cost categories	2025-26	2026-27	2027-28	2028-29
Insurance	\$1,767.8	\$1,809.7	\$1,850.5	\$1,887.5
Electricity	\$7.5	\$7.7	\$7.9	\$8.0
Operations and maintenance <sup>1</sup>	\$2,193.5	\$2,246.5	\$2,293.9	\$2,339.5
Support costs	\$1,862.5	\$1,899.7	\$1,940.6	\$1,979.9
<b>Opex – BST sub-total</b>	<b>\$5,831.4</b>	<b>\$5,963.6</b>	<b>\$6,092.9</b>	<b>\$6,214.9</b>
Renewals opex	\$1,039.2	\$2,719.4	\$952.8	\$1,171.6
<b>Opex total</b>	<b>\$6,870.6</b>	<b>\$8,683.0</b>	<b>\$7,045.7</b>	<b>\$7,386.5</b>

Note 1: Includes preventative and corrective maintenance categories

Table 4 - Burdekin Supply – Relative contribution of major opex categories to total opex (prior to cost transfers)



## Base year (2022-23) – Distribution

Sunwater’s opex forecast was developed using the base-step-trend methodology presented in our pricing submission.

Sunwater’s proposed base year (2022-23 actuals after adjustments) of \$17.2M is shown on **Figure 8** and is \$3.3M (16 per cent) lower than the QCA’s allowance for the same year (after adjustment for actual inflation).

The primary driver of this decrease is a significant reduction in electricity costs via a new agreement with a more favourable electricity consumption rate. Support costs and materials are also lower, noting that support costs reflect a shift of some effort from the distribution to the supply service.

Support costs include indirect activities (those that support a specific direct activity such as dam safety, pricing and regulation, and water planning); and local and corporate support, such as depots, local administration teams and offices, finance, payroll, procurement, human resources, information and communications technology, cybersecurity, and other necessary costs of doing business.

Operations and maintenance have been split into other direct costs, materials, contractors, and direct labour.

## Price path forecast – Distribution

The Burdekin Distribution opex forecast for the price path period is shown in **Table 5**. The base-step-trend approach to develop our forecasts is described in detail in Sunwater’s pricing submission.

In summary, we take the base-year (**Figure 8**) and apply assumptions relating to inflation. No step changes have been applied to the Burdekin Distribution opex forecast.

**Table 6** shows how the relative mix of opex cost categories is changing under Sunwater’s forecast prices. For each dollar of total opex spent, the percentages shown reflect the cents the category contributes.

Renewals opex has not been included in this table as it is a new category that applies under a RAB-based recovery of renewals expenditure.

Figure 8 - Burdekin Distribution - Difference between Sunwater's base year and QCA allowance (2022-23)

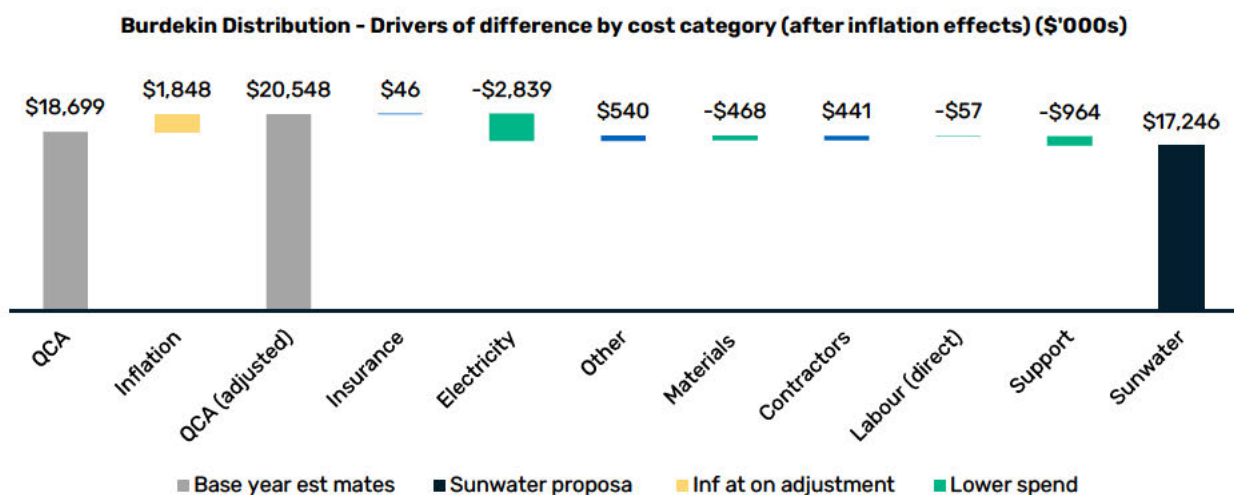
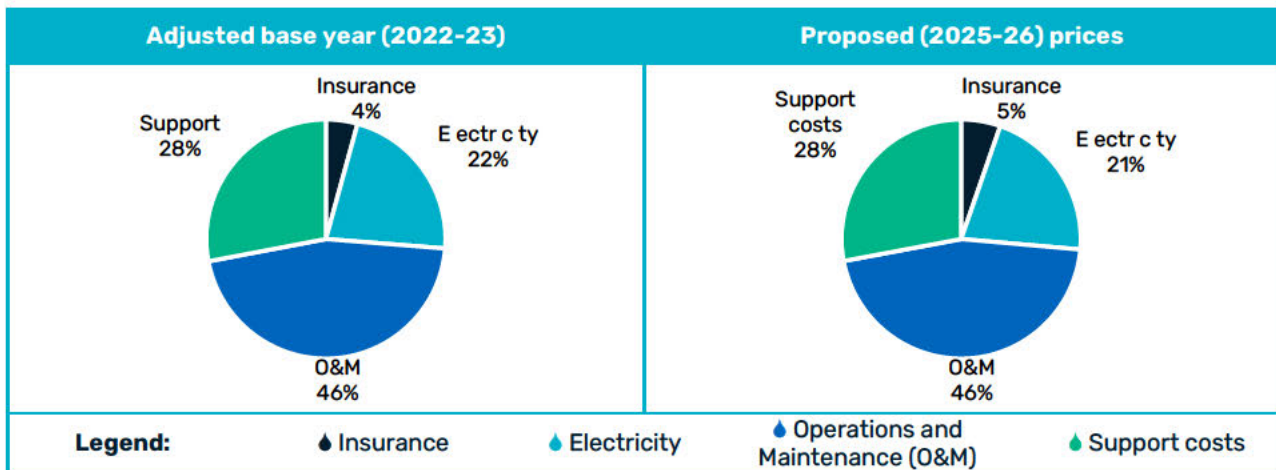


Table 5 - Burdekin Distribution - Opex forecasts for price path period (\$'000s)

Cost categories	2025-26	2026-27	2027-28	2028-29
Insurance	\$1,002.6	\$1,026.4	\$1,049.5	\$1,070.5
Electricity	\$3,983.5	\$4,035.2	\$4,099.8	\$4,181.8
Operations and maintenance <sup>1</sup>	\$8,624.6	\$8,832.4	\$9,019.8	\$9,199.0
Support costs	\$5,277.9	\$5,406.2	\$5,520.2	\$5,630.1
<b>Opex - BST sub-total</b>	<b>\$18,888.6</b>	<b>\$19,300.1</b>	<b>\$19,689.3</b>	<b>\$20,081.3</b>
Renewals opex	\$2,132.5	\$3,722.6	\$2,346.8	\$2,887.4
<b>Opex total</b>	<b>\$21,021.1</b>	<b>\$23,022.7</b>	<b>\$22,036.1</b>	<b>\$22,968.7</b>

Note 1: Includes preventative and corrective maintenance categories.

Table 6 - Burdekin Distribution - Relative contribution of major opex categories to total opex (prior to cost transfers)



## Renewals (capital)

This section addresses actual renewals expenditure for the 2019-20 to 2022-23 period, forecasts for the remainder of the current pricing period (2023-24 to 2024-25), and forecasts relevant for the price path period. Sunwater's approach to the delivery and forecast of renewals expenditure is set out in our pricing submission.

Discussion of current period expenditure is presented with reference to the annuity funding methodology, while forecasts for the price path period refer to the RAB-funding methodology.

As Sunwater's RAB-funding methodology is a proposal for assessment by the QCA and Government, the full forecast required for an annuity-funding methodology is presented for completeness.

Separate forecasts are provided for Burdekin's supply and distribution services.

## Current period (plus roll-forward) – Supply

Sunwater expects to have delivered \$11.1M in renewals activities for the 2019-20 to 2024-25 period. The QCA allowance<sup>5</sup> for the same period was \$6.0M. This is shown in **Table 7**, which includes the roll-forward of annuity expenditure from the QCA's 2018-19 closing balance to 30 June 2025.

Burdekin Supply is forecast to have a positive annuity closing balance. Under Sunwater's RAB-based renewals recovery proposal, this positive balance will be returned to customers as a revenue offset during the price path period.

The opening RAB balance for Burdekin Supply has been set at \$0M, consistent with the approach set out in Sunwater's pricing submission.

Significant projects delivered (or forecast to be delivered) in this period (by value) are shown in **Table 8**.

## Price path period – Supply

Sunwater's submission document describes in detail the way we have developed our renewals expenditure forecast for the next price path period.

**Table 9** shows the forecast for Burdekin Supply for the price path period, with a focus on the top five programs by aggregate spend. Each program forecast comprises a mix of capex and opex, with values separated at the bottom of the table used for the setting of prices.

A program comprises several individual projects that have common characteristics. For example, a valve replacement program will comprise multiple valve replacements over the period. The justification (need) for each project within a program is generally the same and similar approaches are typically adopted for the estimation of project costs.

The largest projects (outside major programs) forecast to be delivered in this period (by value) are shown in **Table 10**.

Table 7 – Burdekin Supply – Current pricing period expenditure and renewals annuity roll-forward (\$'000s)

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast
			<i>Current price path period</i>				
Opening balance		\$7,190.0	\$6,345.6	\$6,012.9	\$5,276.6	\$3,761.4	\$3,914.5
Expenditure		-\$1,801.0	-\$1,783.5	-\$2,207.1	-\$3,034.2	-\$1,402.1	-\$918.7
		<i>Aggregate spend for roll-forward period =-\$11,146.7</i>					
Annuity contribution		\$642.3	\$1,173.4	\$1,207.9	\$1,288.3	\$1,390.8	\$1,421.9
Interest		\$314.4	\$277.4	\$262.9	\$230.7	\$164.5	\$171.2
<b>Closing balance<sup>1</sup></b>	<b>\$7,190.0</b>	<b>\$6,345.6</b>	<b>\$6,012.9</b>	<b>\$5,276.6</b>	<b>\$3,761.4</b>	<b>\$3,914.5</b>	<b>\$4,588.9</b>

Note 1: Closing balance for 2018-19 was set by the QCA at the last pricing review. The calculated (forecast) 2024-25 value is used to set the opening balance of the regulated asset base for the price path period.

<sup>5</sup> Revenue Model issued by QCA - Final Model (January 2020)

Table 8 - Burdekin Supply – Significant projects (by value) delivered in this period (\$'000s)

Project name	Year	Value
Clare Weir works	2021-24	\$4,132.8
Replace - Main Dam Gallery Light & Power Services – Burdekin Falls Dam	2021-23	\$1,189.5
Replace the upstream gantry crane rail at Clare Weir	2020	\$1,116.0

Table 9 – Burdekin Supply – Price path period – forecast renewals expenditure (\$'000s)

Category	2025-26	2026-27	2027-28	2028-29	Aggregate	Percentage
13. Mechanical	\$459.6	\$822.9	\$444.4	\$480.7	<b>\$2,207.7</b>	30%
19. Smart Meter Program	\$0.0	\$0.0	\$205.5	\$451.8	<b>\$657.3</b>	9%
1. Switchboard and Control Renewal Program	\$44.8	\$96.4	\$283.9	\$184.6	<b>\$609.6</b>	8%
5. Dam-Related Works Program	\$11.9	\$358.4	\$0.0	\$37.1	<b>\$407.4</b>	5%
3. Instrumentation Renewal Program	\$379.4	\$12.6	\$0.0	\$0.0	<b>\$392.0</b>	5%
Remaining Programs	\$328.7	\$560.5	\$123.0	\$374.6	<b>\$1,386.8</b>	19%
<b>Sub-total – programs</b>	<b>\$1,224.4</b>	<b>\$1,850.8</b>	<b>\$1,056.8</b>	<b>\$1,528.8</b>	<b>\$5,660.8</b>	76%
Projects not captured in programs	\$61.3	\$1,151.3	\$232.0	\$313.0	<b>\$1,757.6</b>	24%
<b>Total</b>	<b>\$1,285.7</b>	<b>\$3,002.0</b>	<b>\$1,288.8</b>	<b>\$1,841.8</b>	<b>\$7,418.4</b>	<b>100%</b>
Capex	\$246.5	\$282.6	\$336.1	\$670.2	<b>\$1,535.4</b>	21%
Renewals Opex	\$1,039.2	\$2,719.4	\$952.8	\$1,171.6	<b>\$5,883.0</b>	79%

Table 10 – Burdekin Supply – Significant individual projects (by value) to be delivered during the price path period (\$'000s)

Project name	Year	Value	Percentage total
Refurbish Gate Hydraulic System - Clare Weir 50.3Km - Gates	2025	\$1,797.0	24%
Replace Dam Wall Control Equipment - Burdekin Falls Dam	2026	\$1,165.1	16%
Replace Piezometer Instrumentation - Left Bank Saddle - Burdekin Falls Dam	2026	\$379.4	5%

An additional \$3.49M in capital expenditure (not shown in **Table 9**) has been added to 2025-26 as the Burdekin Supply portion of the \$42.4M whole-of-business project to renew Sunwater's billing system.

### Beyond price path period

Expenditure beyond the price path is not relevant to the setting of prices for the 2025-26 to 2028-29 period under a RAB methodology. It is presented in **Figure 9** for completeness.

This profile underpins the alternative annuity-base prices presented in the **Revenue and Pricing** section of this summary.

Significant (by value) projects forecast for completion between 2029-30 and 2057-58 are shown in **Table 11**. Expenditure commencement dates are shown. For programs, expenditure will typically occur throughout the period.

Figure 9 - Burdekin Supply - Expenditure by major program beyond the price path period (relevant under an annuity method of cost recovery) ('000s)

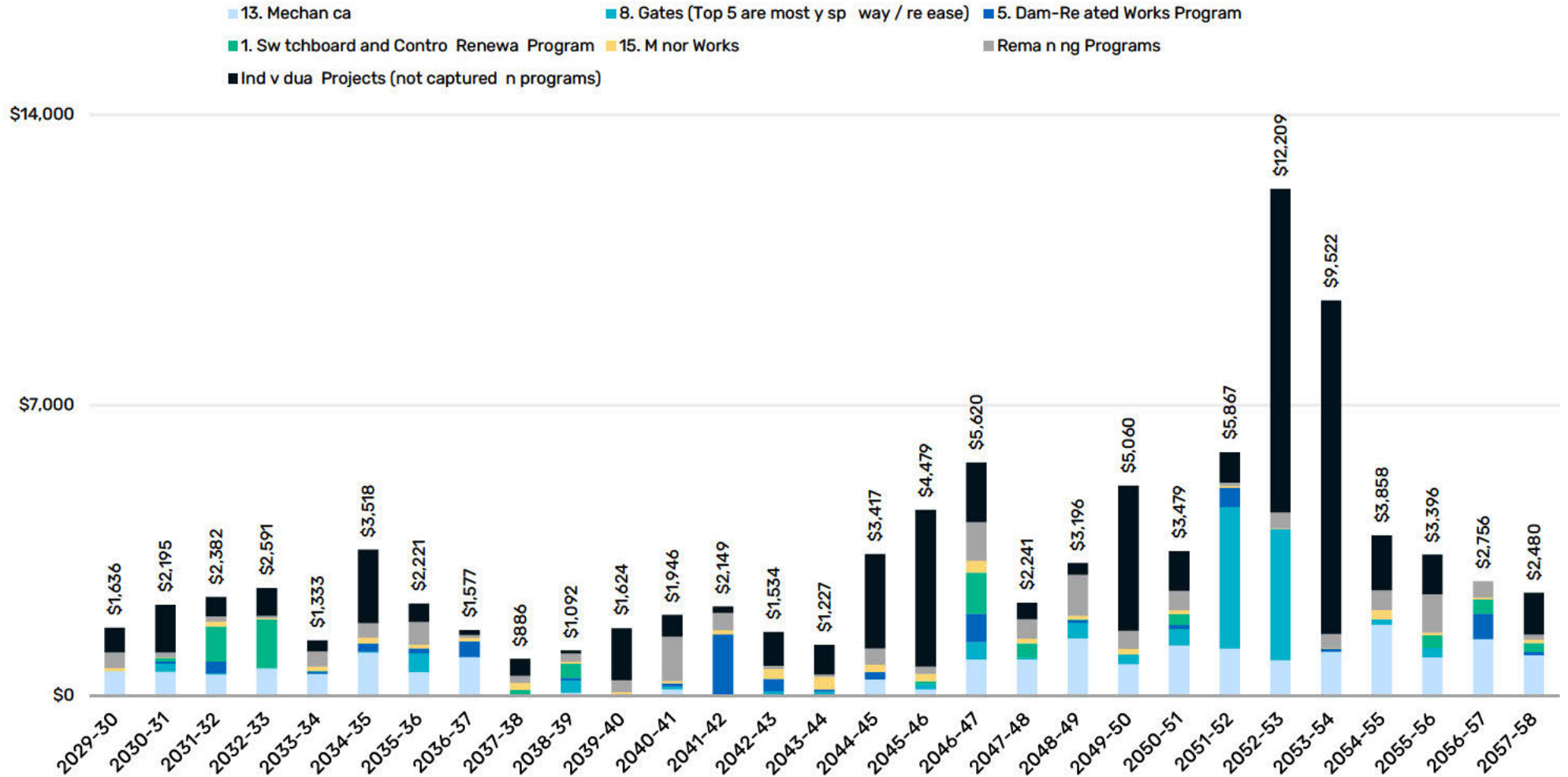


Table 11 - Burdekin Supply - Key projects beyond the price path period (2029-30 to 2057-58) period (\$'000s)

Project name	Commencement year	Value	Percentage total
Replacement of Hydraulic System - Clare Weir	2052	\$15,651	16%
Refurbish Gate Hydraulic System - Clare Weir 50.3Km - Gates	2025	\$13,657	14%
Replace Flap Gates - Clare Weir 50.3Km - Gates	2052	\$6,159	6%
Refurbish Foundation Drains - Burdekin Falls Dam Amdt 159.3 - Spillway	2030	\$4,386	5%
Replace Dam Wall Control Equipment - Burdekin Falls Dam	2026	\$1,885	2%
Other	Varies	\$53,753	56%
<b>Total</b>		<b>\$95,490</b>	

### Current period (plus roll forward) - Distribution

Sunwater expects to have delivered \$15.3M in renewals activities for the 2019-20 to 2024-25 period. The QCA allowance<sup>6</sup> for the same period was \$8.6M. This is shown in **Table 12** which also includes the roll-forward of annuity expenditure from the QCA's 2018-19 closing balance to 30 June 2025.

Burdekin Distribution is forecast to have a positive annuity closing balance. Under Sunwater's RAB-based renewals recovery proposal, this positive balance will be returned to customers as a revenue offset during the price path period.

The opening RAB balance for Burdekin Distribution service has been set at \$0M, consistent with the approach set out in Sunwater's pricing submission.

Significant projects delivered (or forecast to be delivered) in this period (by value) are shown in **Table 13**.

### Price path period - Distribution

Sunwater's submission document describes in detail the way we have developed our renewals expenditure forecast for the next price path period.

**Table 14** shows the forecast for Lower Mary for the price path period, with a focus on the top five programs by aggregate spend. Each program forecast comprises a mix of capex and opex, with values separated at the bottom of the table used for the setting of prices.

A program comprises several individual projects that have common characteristics. For example, a valve replacement program will comprise multiple valve replacements over the period. The justification (need) for each project within a program is generally the same and similar approaches are typically adopted for the estimation of project costs.

The largest projects (outside major programs) forecast to be delivered in this period (by value) are shown in **Table 15**.

<sup>6</sup> Revenue Model issued by QCA - Final Model (January 2020)

Table 12 – Burdekin Distribution – Current pricing period expenditure and renewals annuity roll-forward (\$'000s)

	2018-19	2019-20	2020-21	2021-22	2022-23	2023-24	2024-25
	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast
			<i>Current price path period</i>				
Opening balance		\$4,043.5	\$5,617.5	\$5,102.0	\$5,930.2	\$6,426.4	\$5,817.4
Expenditure		-\$1,923.7	-\$2,793.2	-\$1,496.1	-\$1,917.1	-\$2,986.5	-\$4,203.2
		<i>Aggregate spend for roll-forward period =-\$15,319.8</i>					
Annuity contribution		\$3,320.9	\$2,032.1	\$2,101.2	\$2,154.0	\$2,096.5	\$2,143.5
Interest		\$176.8	\$245.6	\$223.1	\$259.3	\$281.0	\$254.3
<b>Closing balance<sup>1</sup></b>	<b>\$4,043.5</b>	<b>\$5,617.5</b>	<b>\$5,102.0</b>	<b>\$5,930.2</b>	<b>\$6,426.4</b>	<b>\$5,817.4</b>	<b>\$4,012.0</b>

Note 1: Closing balance for 2018-19 was set by the QCA at the last pricing review. The calculated (forecast) 2024-25 value is used to set the opening balance of the regulated asset base for the price path period.

Table 13 – Burdekin Distribution – Significant projects (by value) delivered in this period (\$'000s)

Project name	Year	Value
Refurb Reduction Gearbox PST2 3 – Tom Fenwick Pump Station	2023-24	\$871.6
Arc Flash Study – Evaluation of switchboards for compliance against arc flash requirements (Burdekin Distribution study)	2021-23	\$835.0
Safety Screen Replacement – Houghton Main Channel, Barratta Main & Lateral Channels	2023	\$511.8

Table 14 – Burdekin Distribution – Price path period – forecast renewals expenditure (\$'000s)

Category	2025-26	2026-27	2027-28	2028-29	Aggregate	Percentage
7. Pump & Motor Renewal	\$289.8	\$777.1	\$228.4	\$1,356.0	<b>\$2,651.4</b>	16%
11. Channel re-lining and re-shaping	\$605.9	\$624.8	\$629.0	\$660.0	<b>\$2,519.8</b>	15%
17. Arc Flash Program	\$1,516.3	\$939.1	\$0.0	\$0.0	<b>\$2,455.4</b>	14%
1. Switchboard and Control Renewal Program	\$34.8	\$629.9	\$688.4	\$979.3	<b>\$2,332.4</b>	14%
15. Minor Works	\$134.8	\$265.9	\$55.1	\$233.9	<b>\$689.6</b>	4%
Remaining programs	\$165.7	\$464.9	\$159.1	\$483.5	<b>\$1,273.2</b>	7%
Sub-total – programs	\$2,747.2	\$3,701.9	\$1,760.0	\$3,712.7	<b>\$11,921.8</b>	70%
Projects not captured in programs	\$955.7	\$2,303.2	\$1,146.2	\$770.2	<b>\$5,175.3</b>	30%
<b>Total</b>	<b>\$3,702.9</b>	<b>\$6,005.1</b>	<b>\$2,906.2</b>	<b>\$4,482.9</b>	<b>\$17,097.1</b>	<b>100%</b>
Capex	\$1,570.4	\$2,282.5	\$559.4	\$1,595.5	<b>\$6,007.9</b>	35%
Renewals opex	\$2,132.5	\$3,722.6	\$2,346.8	\$2,887.4	<b>\$11,089.3</b>	65%



Table 15 - Burdekin Distribution – Significant individual projects (by value) to be delivered during the price path period (\$'000s)

Project name	Commencement year	Value	Percentage total
Refurbish Concrete Liner - Clare Channel	2025	\$1,003.9	6%
Refurbish Concrete Liner - Millaroo Channel	2025	\$1,003.9	6%
Giru Weir Pile 1 Refurbishment	2025	\$955.7	6%
Refurbish - Barratta Main Channel	2027	\$748.4	4%

## Beyond price path period – Distribution

Expenditure beyond the price path is not relevant to the setting of prices for the 2025-26 to 2028-29 period under a RAB methodology.

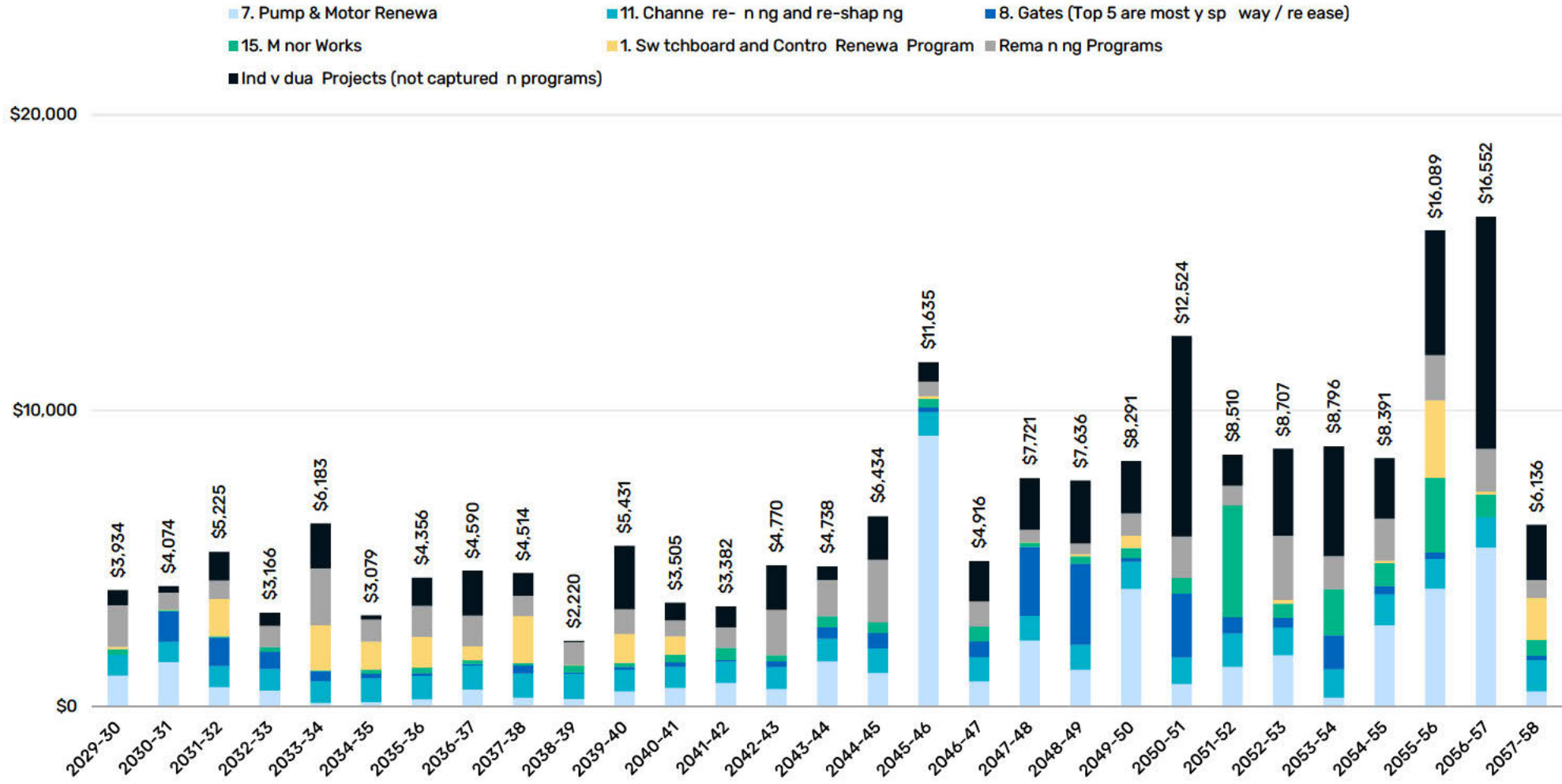
It is presented in **Figure 10** for completeness and is the profile that underpins the alternative annuity-base prices presented in the **Revenue and pricing** section of this summary.

Significant (by value) projects forecast for completion between 2029-30 and 2057-58 are shown in **Table 16**. Expenditure commencement dates are shown. For programs, expenditure will typically occur throughout the period.

Table 16 - Burdekin Distribution – Key projects beyond the price path period (2029-30 to 2057-58) period (\$'000s)

Project name	Commencement year	Value	Percentage total
Refurbish Concrete Liner - Clare Channel	2025	\$11,307	6%
Refurbish Concrete Liner - Millaroo Channel	2025	\$11,203	6%
Replace Regulating Gate - Haughton - Laterals (All)	2038	\$4,590	2%
Replace Lv Switchboards - Tom Fenwick Pump Station 4/5	2034	\$4,089	2%
Replace Pump No.2 - Tom Fenwick Pump Station 2/3	2050	\$3,572	2%
Other	Varies	\$160,743	82%
<b>Total</b>		<b>\$195,504</b>	

Figure 10 - Burdekin Distribution - Expenditure by major program beyond the price path period (relevant under an annuity method of cost recovery) ('000s)



## Revenue and pricing

This section shows the final revenue requirement at scheme level. Values shown are prior to allocation to fixed (high or medium priority) or variable charges. These values represent Sunwater's estimate of the revenue required to continue to meet customer service standards and regulatory obligations under the current regulatory framework.

### Revenue requirement

**Table 17** and **Table 18** bring together the price-path related expenditure building blocks for the Supply and Distribution services respectively.

This includes a revenue offset building block as well as adjustments for the return of annuity positive balance funds (where applicable to a scheme), insurance review event funds and the QCA's review fee, which is applied only to irrigation entitlements.

### Prices

As outlined above (and in detail in our pricing submission), Sunwater is proposing to shift to a RAB-based recovery of renewals expenditure. Prices under a RAB methodology are presented in the **Proposal in summary** section.

The following tables show recommended irrigation prices (by tariff group) for the price path period for both the RAB and annuity cost recovery methodologies. They also show the difference between the two to highlight the impact of the change on irrigators.

Table 17 - Burdekin Supply – Forecast revenue requirement (inclusive of revenue adjustments) (\$'000s)

Building block	2025-26	2026-27	2027-28	2028-29	Aggregate	Percentage
Price path related expenditure						
Opex	\$5,831.4	\$5,963.6	\$6,092.9	\$6,214.9	\$24,102.7	69.3%
Renewals opex	\$1,039.2	\$2,719.4	\$952.8	\$1,171.6	\$5,883.0	16.9%
Capital returns	\$146.2	\$311.6	\$341.6	\$382.7	\$1,182.1	3.4%
Tax allowance	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	0.0%
<b>Sub-total</b>	<b>\$7,016.7</b>	<b>\$8,994.6</b>	<b>\$7,387.3</b>	<b>\$7,769.1</b>	<b>\$31,167.8</b>	<b>89.6%</b>
Revenue adjustments						
Revenue offsets	-\$6.5	-\$6.7	-\$6.8	-\$7.0	-\$27.0	-0.1%
Insurance review	\$502.6	\$517.0	\$531.2	\$544.5	\$2,095.4	6.0%
QCA fee <sup>1</sup>	\$368.3	\$378.5	\$388.9	\$399.7	\$1,535.4	4.4%
<b>Sub-total</b>	<b>\$864.4</b>	<b>\$888.8</b>	<b>\$913.3</b>	<b>\$937.2</b>	<b>\$3,603.8</b>	<b>10.4%</b>
<b>Total</b>	<b>\$7,881.1</b>	<b>\$9,883.4</b>	<b>\$8,300.6</b>	<b>\$8,706.3</b>	<b>\$34,771.5</b>	<b>100.0%</b>
Positive balance return	-\$1,181.4	-\$1,215.3	-\$1,248.7	-\$1,279.9	-\$4,925.4	-14.2%
<b>Total (incl returns)</b>	<b>\$6,699.7</b>	<b>\$8,668.1</b>	<b>\$7,051.9</b>	<b>\$7,426.4</b>	<b>\$29,846.1</b>	

Note 1: The QCA fee is apportioned to each scheme on the basis of irrigation entitlements.

Table 18 – Burdekin Distribution – Forecast revenue requirement (inclusive of revenue adjustments) (\$'000s)

Building block	2025-26	2026-27	2027-28	2028-29	Aggregate	Percentage
Price path related expenditure						
Opex	\$18,888.6	\$19,300.1	\$19,689.3	\$20,081.3	\$77,959.3	90.2%
Renewals opex	\$2,132.5	\$3,722.6	\$2,346.8	\$2,887.4	\$11,089.3	12.8%
Capital returns	\$26.7	\$97.1	\$157.6	\$201.7	\$483.2	0.6%
Tax allowance	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	0.0%
<b>Sub-total</b>	<b>\$21,047.8</b>	<b>\$23,119.9</b>	<b>\$22,193.8</b>	<b>\$23,170.4</b>	<b>\$89,531.8</b>	<b>103.6%</b>
Revenue adjustments						
Revenue offsets	-\$964.3	-\$991.9	-\$1,019.2	-\$1,044.7	-\$4,020.0	-4.7%
Insurance review	\$220.6	\$227.0	\$233.2	\$239.0	\$919.8	1.1%
QCA fee <sup>1</sup>	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	0.0%
<b>Sub-total</b>	<b>-\$743.6</b>	<b>-\$764.9</b>	<b>-\$786.0</b>	<b>-\$805.6</b>	<b>-\$3,100.2</b>	<b>-3.6%</b>
<b>Total</b>	<b>\$20,304.2</b>	<b>\$22,354.9</b>	<b>\$21,407.8</b>	<b>\$22,364.8</b>	<b>\$86,431.7</b>	<b>100.0%</b>
Positive balance return	-\$1,032.9	-\$1,062.5	-\$1,091.8	-\$1,119.0	-\$4,306.3	-5.0%
<b>Total (incl returns)</b>	<b>\$19,271.2</b>	<b>\$21,292.4</b>	<b>\$20,316.0</b>	<b>\$21,245.8</b>	<b>\$82,125.4</b>	

Note 1: The QCA fee is apportioned to each scheme on the basis of irrigation entitlements.

## Burdekin Haughton

Recommended prices for the Burdekin Haughton tariff group are shown in **Table 19**.

This group does not pay for electricity and is not eligible for the Part E and Part F tariffs proposed under an electricity cost pass-through mechanism.

## Burdekin Channel / Burdekin Channel – Gladys Lagoon

Recommended prices for the Burdekin Channel tariff group are shown in **Table 20**. This group pays for electricity and is eligible for the Part E and Part F tariffs proposed under an electricity cost pass-through mechanism.

## Burdekin Channel – Giru Groundwater

Recommended prices for the Burdekin Channel – Giru Groundwater tariff group are shown in **Table 21**. This group pays for electricity and is eligible for the Part E and Part F tariffs proposed under an electricity cost pass-through mechanism.

Table 19 – Comparison of recommended prices– Burdekin Haughton tariff group

Charge	Methodology	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
<b>Part A (\$/ML)</b>	Proposed (RAB)	\$5.87	\$6.03	\$6.20	\$6.37	\$8.10	\$8.33	\$8.56	\$8.79	\$9.81	\$10.09	\$10.36	\$10.65
	Annuity	\$6.85	\$7.06	\$7.26	\$7.46	\$8.39	\$8.62	\$8.86	\$9.11	\$10.67	\$10.96	\$11.27	\$11.58
	Difference	-\$0.98	-\$1.03	-\$1.06	-\$1.09	-\$0.29	-\$0.30	-\$0.30	-\$0.31	-\$0.86	-\$0.88	-\$0.90	-\$0.93
<b>Part B (\$/ML)</b>	Proposed (RAB)	\$0.76	\$0.78	\$0.80	\$0.82	\$0.92	\$0.94	\$0.97	\$1.00	\$1.11	\$1.14	\$1.17	\$1.20
	Annuity	\$0.38	\$0.78	\$0.80	\$0.82	\$0.92	\$0.94	\$0.97	\$1.00	\$1.11	\$1.14	\$1.17	\$1.20
	Difference	+\$0.38	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00

Table 20 – Comparison of recommended prices– Burdekin Channel (including Gladys Lagoon) tariff group

Charge	Methodology	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
<b>Part A (\$/ML)</b>	Proposed (RAB)	\$5.87	\$6.03	\$6.20	\$6.37	\$8.10	\$8.33	\$8.56	\$8.79	\$9.81	\$10.09	\$10.36	\$10.65
	Annuity	\$6.75	\$7.06	\$7.26	\$7.46	\$8.39	\$8.62	\$8.86	\$9.11	\$10.67	\$10.96	\$11.27	\$11.58
	Difference	-\$0.89	-\$1.03	-\$1.06	-\$1.09	-\$0.29	-\$0.30	-\$0.30	-\$0.31	-\$0.86	-\$0.88	-\$0.90	-\$0.93
<b>Part B (\$/ML)</b>	Proposed (RAB)	\$0.76	\$0.78	\$0.80	\$0.82	\$0.85	\$0.87	\$0.89	\$1.00	\$1.02	\$1.05	\$1.08	\$1.20
	Annuity	\$0.76	\$0.78	\$0.80	\$0.82	\$0.85	\$0.87	\$0.89	\$1.00	\$1.02	\$1.05	\$1.08	\$1.12
	Difference	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.08
<b>Part C (\$/ML)</b>	Proposed (RAB)	\$47.73	\$49.05	\$50.41	\$51.80	\$54.51	\$58.94	\$63.56	\$66.27	\$70.49	\$75.69	\$81.13	\$84.36
	Annuity	\$47.14	\$50.93	\$55.03	\$58.36	\$62.09	\$66.72	\$71.56	\$76.45	\$80.42	\$85.89	\$91.61	\$97.57
	Difference	+\$0.59	-\$1.88	-\$4.62	-\$6.56	-\$7.57	-\$7.78	-\$8.00	-\$10.18	-\$9.93	-\$10.20	-\$10.48	-\$13.21
<b>Part D (\$/ML)</b>	Proposed (RAB)	\$20.30	\$20.87	\$21.45	\$22.04	\$22.65	\$23.28	\$23.92	\$26.35	\$27.08	\$27.83	\$28.60	\$31.65
	Annuity	\$20.30	\$20.87	\$21.45	\$22.04	\$22.65	\$23.28	\$23.92	\$24.67	\$25.36	\$26.06	\$26.78	\$27.52
	Difference	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$1.68	+\$1.73	+\$1.78	+\$1.83	+\$4.13

Table 21 – Comparison of recommended prices– Burdekin Channel – Giru Groundwater tariff group

Charge	Methodology	2025-26	2026-27	2027-28	2028-29	2029-30	2030-31	2031-32	2032-33	2033-34	2034-35	2035-36	2036-37
<b>Part A (\$/ML)</b>	Proposed (RAB)	\$5.87	\$6.03	\$6.20	\$6.37	\$8.10	\$8.33	\$8.56	\$8.79	\$9.81	\$10.09	\$10.36	\$10.65
	Annuity	\$6.75	\$7.06	\$7.26	\$7.46	\$8.39	\$8.62	\$8.86	\$9.11	\$10.67	\$10.96	\$11.27	\$11.58
	Difference	-\$0.89	-\$1.03	-\$1.06	-\$1.09	-\$0.29	-\$0.30	-\$0.30	-\$0.31	-\$0.86	-\$0.88	-\$0.90	-\$0.93
<b>Part B (\$/ML)</b>	Proposed (RAB)	\$0.37	\$0.38	\$0.39	\$0.40	\$0.41	\$0.42	\$0.44	\$0.45	\$0.46	\$0.47	\$0.49	\$0.50
	Annuity	\$0.37	\$0.38	\$0.39	\$0.40	\$0.41	\$0.42	\$0.44	\$0.45	\$0.46	\$0.47	\$0.49	\$0.50
	Difference	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00
<b>Part C (\$/ML)</b>	Proposed (RAB)	\$31.10	\$34.57	\$38.21	\$42.03	\$44.47	\$48.61	\$52.95	\$57.49	\$61.47	\$66.42	\$71.59	\$77.00
	Annuity	\$30.21	\$33.54	\$37.15	\$40.94	\$44.18	\$48.31	\$52.64	\$57.18	\$60.61	\$65.54	\$70.69	\$76.08
	Difference	+\$0.89	+\$1.03	+\$1.06	+\$1.09	+\$0.29	+\$0.30	+\$0.30	+\$0.31	+\$0.86	+\$0.88	+\$0.90	+\$0.93
<b>Part D (\$/ML)</b>	Proposed (RAB)	\$16.88	\$17.35	\$17.83	\$18.33	\$18.83	\$19.36	\$19.89	\$20.44	\$21.01	\$21.59	\$22.19	\$22.80
	Annuity	\$16.88	\$17.35	\$17.83	\$18.33	\$18.83	\$19.36	\$19.89	\$20.44	\$21.01	\$21.59	\$22.19	\$22.80
	Difference	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00	+\$0.00

# Appendix - Correspondence

**Keelie O'Sullivan**

---

**From:** Colin Bendall  
**Sent:** Tuesday, 24 October 2023 10:22 AM  
**To:** [REDACTED]  
**Cc:** William Weaver  
**Subject:** RE: BRIA issues

Restricted

Hi [REDACTED]

Apologise for taking a while to respond I have been on leave and then had a bout of Covid so just getting back to your request.

On further examination of the allocations in the Haughton A zone, the issue does not relate to the volume of Temporary Transfers brought into the zone, it is more related to the volume of allocation available held by customers versus actual usage.

Allocations held by customers in Haughton A are 5600 megalitres not 2000 megalitres, Useage for the period was 5459 megalitres, with one TT within the zone of 164 megalitres,

No allocation was transferred into Zone A from outside of the zone in that year.

Apology the information presented in Townsville was not clear on the amount of allocation held by customers within the zone.

I cannot provide you with individual customer details of water usage and allocations without the express permission of those customers,

I hope this information is of assistance,

Regards

Colin

**Colin Bendall**  
EGM Operations  
Operations

[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Friday, September 1, 2023 6:02 PM  
**To:** Colin Bendall [REDACTED]  
**Cc:** William Weaver [REDACTED]  
**Subject:** RE: BRIA issues



**This Message Is From an External Sender**

This message came from outside your organisation.

Thanks Colin.

Look forward to seeing the transfer data.

Cheers.

---

**From:** Colin Bendall [REDACTED]  
**Sent:** Friday, September 1, 2023 7:26 AM  
**To:** [REDACTED]  
**Cc:** William Weaver  
**Subject:** RE: BRIA issues

Restricted

Hi [REDACTED]

Thanks for the follow up email after our recent discussion. William and I will dig into the temporary transfer numbers and come back to you on the questions below.

William will also provide an update on our metering approach; we have definitely have not parked this in a dark corner and are focused on meter maintenance and repairs. Our view is we have improved significantly in this area, however there will always be meters that require maintenance.

William will discuss with you once we have investigated further,

We are committed to providing all customers with transparent data and where the data does not appear to make sense we will investigate and advise.

Regards

Colin

[REDACTED]

---

**From:** [REDACTED]  
**Sent:** Thursday, August 31, 2023 9:45 PM  
**To:** Colin Bendall [REDACTED]  
**Cc:** William Weaver [REDACTED]  
**Subject:** BRIA issues

Hi Colin.

Please see the attached documents that we were discussing at yesterday's meeting .

The first is one that [REDACTED] has prepared using data provided by SunWater for the 2022/2023 water year, and the second is one that I prepared using transfer data which is publicly available on the SunWater web site.

Firstly we really need to congratulate SunWater for the remarkable improvement with the reduction in losses within the scheme.

To be able to deliver 241,721ML and only incur a loss of 30,766ML is indeed a remarkable achievement, and a huge improvement on previous years.

One can only expect an even smaller loss amount in future years when the non working meters that are highlighted in [REDACTED] document are rectified.

With this remarkable achievement there seems to be little value in pursuing the Modernisation projects that will run into many tens of Millions of Dollars.

[REDACTED] document highlights the inequity as a result of inaccurate meters in a few of the sub areas of the Scheme.

With the exception of Dalbeg, which has very little Sugar cane grown, all of the remaining areas should be showing fairly similar water use.

Millaroo with a metered usage of 4.56ML/Hectare is well below the average usage suggesting inaccurate metering, but the real outlier is the GBA with a metered usage of 3.5ML/Hectare.

It is very disappointing to myself that these numbers are almost the same as what I discussed with yourself and the [REDACTED] in 2016. This issue seems to have been parked in a dark corner and has received little to no attention from SunWater.

There are now even more questions raised, following from our meeting in Townsville in late July, where the usage numbers for Haughton Zone A (above the GBA) were quoted at just over 1000ML, and the subsequent correction of those numbers to a more realistic amount of 5,500ML.

The total allocation held in that area is 2000ML. (2 parties have 800ML each and one has 400ML.)

If their usage was 5500ML, there would have needed to be large quantities of water traded either from the GBA or from the Burdekin Channel.

I have reviewed all of the trading data from the SunWater web site and have a few questions/observations.

The transfer data seems to be in 3 distinct clusters.

The first from 6/7/22 to 8/8/22 seems to me to be squaring off the previous water year. The decimal points in the amounts tends to give this impression.

There are then no transfers until the second cluster from 5/6/23 to 30/6/23. This I believe to be irrigators squaring off on overuse for the most recent water year.

The third cluster 6/7/23 to 20/7/23 would be the final squaring up.

Can you please advise the water year that was written on each transfer document, so that everything can be better reconciled.

Could you also advise where the transfer that makes up the remaining usage above the GBA is, as there are insufficient transfers listed on the SunWater site.

We would appreciate seeing the transfer I D numbers, quantity and the area transferred from.

This information is not confidential and is currently publicly available on the SunWater web site.

Colin, I am sure that you appreciate that this outstanding issue needs to be clarified as a matter of urgency before we embark on the current pricing submissions with the QCA.

Thanks and regards.

[REDACTED]

Cameron Milliner

E G M Customer & Stakeholder Relations.

Dear Cameron

During discussions at the Sunwater BHWSS Round 3 Consultation meeting held at Clare on the 24<sup>th</sup> November 2023 BRIA Irrigators Ltd advised Sunwater that they did not support the proposal for an Electricity Cost Pass Through in the BHWSS in its current form as it would adversely affect GBGA irrigators.

We suggested an alternative whereby the QCA continues to calculate and publish the cost for electricity in the BHWSS for each year of the price path and at the end of each financial year Sunwater conducts a reconciliation of actual cost versus revenue received and then apply a symmetrical cost pass through or credit to irrigators' September invoice.

This approach will preserve the current and future C.S.O. from the Queensland Government, neither Sunwater or GBGA irrigators will be disadvantaged financially and full transparency of electricity costs would be maintained.

There were not any objections to this proposal from irrigators present which included a number of GBGA irrigators.

Yours sincerely

██████████

██████████ BRIA Irrigators Ltd.

## Keelie O'Sullivan

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**From:** William Weaver  
**Sent:** Wednesday, 29 November 2023 2:34 PM  
**To:** Cameron Milliner; Keelie O'Sullivan  
**Subject:** FW: Request for Data

Restricted

**William Weaver**  
General Manager North  
Operations North

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**From:** William Weaver [REDACTED]  
**Sent:** Wednesday, October 25, 2023 8:45 AM  
**To:** [REDACTED]  
**Subject:** FW: Request for Data

[REDACTED]  
Apologies for the delay, see data requested and answers to your questions below:

- Environmental flows from Giru weir are

2022-23	2021-22	2020-21	2019-20	2018-19					
Jul-22	340	Jul-21	30	Jul-20	142	Jul-19	1056	Jul-18	
Aug-22	40	Aug-21		Aug-20	78	Aug-19	400	Aug-18	
Sep-22		Sep-21		Sep-20		Sep-19		Sep-18	
Oct-22		Oct-21		Oct-20		Oct-19		Oct-18	
Nov-22	120	Nov-21		Nov-20		Nov-19		Nov-18	
Dec-22	40	Dec-21		Dec-20		Dec-19		Dec-18	160
Jan-23	280	Jan-22		Jan-21	200	Jan-20	113	Jan-19	200
Feb-23		Feb-22	385	Feb-21	720	Feb-20		Feb-19	
Mar-23		Mar-22	70	Mar-21	280	Mar-20		Mar-19	
Apr-23		Apr-22	40	Apr-21	200	Apr-20	40	Apr-19	1200
May-23		May-22	100	May-21		May-20	1238	May-19	1240
Jun-23		Jun-22	1030	Jun-21	280	Jun-20	345	Jun-19	490
	820		1655		1900		3192		3290

- There are no environmental releases from Healey's lagoon
- The Non GBA volumes are irrigators above the benefit area but below the diversion from Haughton

Location	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Clare	34,503	27,023	24,067	33,445	9,279	26,499	27,938	27,938
Dalbeg	18,121	14,723	13,245	17,773	7,677	10,002	17,584	17,584
Millaroo	32,617	27,477	28,334	30,842	11,592	25,042	32,443	32,443
New Bria	300,975	259,647	235,827	309,810	90,760	221,144	246,305	246,305
All	386,216	328,870	301,473	391,870	119,308	282,687	324,270	324,270

Location	2006-2007	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014
Clare	25,326	18,973	17,209	26,287	5,941	17,527	20,600	20,600
Dalbeg	10,978	8,391	6,924	9,428	3,518	4,674	8,957	8,957
Millaroo	19,119	15,217	15,594	18,233	5,011	14,639	18,205	18,205
New Bria	219,915	174,109	142,304	204,109	51,151	140,973	151,235	151,235
All	275,338	216,690	182,031	258,057	65,621	177,813	198,997	198,997

Year	Houghton Zone A Diversion (ML)	Total Water usage (ML)	Water Usage/Diversion
2006/07	31,556	37,984	120%
2007/08	22,018	30,742	140%
2008/09	19,101	27,061	142%
2009/10	38,465	35,571	92%
2010/11	5,872	6,677	114%
2011/12	29,603	20,387	69%
2012/13	26,873	20,610	77%
2013/14	44,671	29,668	66%
2014/15	47,405	46,422	98%
2015/16	47,019	47,031	100%
2016/17	29,357	33,502	114%
2017/18	35,291	43,814	124%
2018/19	19,320	31,553	163%
2019/20	31,644	37,023	117%
2020/21	24,007	28,032	117%
2021/22	28,403	31,543	111%
2022/23	9,352	21,342	228%

William Weaver  
General Manager North



[REDACTED]  
[sunwater.com.au](http://sunwater.com.au)

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**From:** [REDACTED]  
**Sent:** Monday, August 28, 2023 8:14 AM  
**To:** William Weaver [REDACTED]  
**Subject:** Re: Request for Data

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**From:** William Weaver [REDACTED]  
**Sent:** Monday, August 28, 2023 8:10:16 AM  
**To:** [REDACTED]  
**Subject:** RE: Request for Data

Restricted

[REDACTED]  
I am chasing this through for home and will have the info this week

**William Weaver**  
General Manager North

[REDACTED]  
[sunwater.com.au](http://sunwater.com.au)

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**From:** [REDACTED]  
**Sent:** Thursday, August 24, 2023 9:15 AM  
**To:** William Weaver [REDACTED]  
**Subject:** Fwd: Request for Data

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**From:** [REDACTED]  
**Sent:** Thursday, August 24, 2023 9:03:04 AM  
**To:** [REDACTED]  
**Subject:** FW: Request for Data

Hi Colin

**Data Request from GBA Committee**

**2017-present date:-**

**GBA**

- Can you clarify what is the Non GBA usage in the GBA excel spreadsheet supplied today (is it non GBA allocation usage? Does it include . Townsville city council, Giru /Cungulla town supply.)
- What is the annual environmental flow releases in ML through the Giru Weir
- What is the environmental flow out through Healeys Lagoon each year in ML.

**Channel System**

- Metered Usage and releases for each node 2016/2017 to present( see below for previous data)

Regards



Year	Dalbeg Diversion (ML)	Total Water usage (ML)	Efficiency of total usage
2006/07	18,121	10,978	61%
2007/08	14,723	8,391	57%
2008/09	13,245	6,924	52%
2009/10	17,773	9,428	53%
2010/11	7,677	3,518	46%
2011/12	10,002	4,674	47%
2012/13	17,584	8,957	51%
2013/14	19,213	12,069	63%
2014/15	16,503	10,527	64%
2015/16	13,236	7,849	59%
<b>Average</b>	<b>14,808</b>	<b>8,332</b>	<b>56%</b>

Year	Millaroo Diversion (ML)	Total Water usage (ML)	Efficiency of total usage
2006/07	32,617	19,119	59%
2007/08	27,477	15,217	55%
2008/09	28,334	15,594	55%
2009/10	30,842	18,233	59%
2010/11	11,592	5,011	43%
2011/12	25,042	14,639	58%
2012/13	32,443	18,205	56%
2013/14	36,989	24,486	66%
2014/15	34,996	22,441	64%
2015/16	23,731	17,356	73%
<b>Average</b>	<b>28,406</b>	<b>17,030</b>	<b>60%</b>

Year	CLARE Diversion	Total Water usage	Efficiency of total usage
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Year	NEW BRIA Diversion	Total Water usage	Efficiency of total usage
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	(ML)	(ML)	
2006/07	34,503	25,326	73%
2007/08	27,023	18,973	70%
2008/09	24,067	17,209	72%
2009/10	33,445	26,287	79%
2010/11	9,279	5,941	64%
2011/12	26,499	17,527	66%
2012/13	27,938	20,600	74%
2013/14	34,900	25,252	72%
2014/15	30,940	27,615	89%
2015/16	29,412	23,484	80%
<b>Average</b>	<b>27,801</b>	<b>20,821</b>	<b>75%</b>

	(ML)	(ML)	
2006/07	300,975	219,915	73%
2007/08	259,647	174,109	67%
2008/09	235,827	142,304	60%
2009/10	309,810	204,109	66%
2010/11	90,760	51,151	56%
2011/12	221,144	140,973	64%
2012/13	246,305	151,235	61%
2013/14	368,452	208,230	57%
2014/15	398,624	280,965	70%
2015/16	335,754	243,425	73%
<b>Average</b>	<b>276,730</b>	<b>181,642</b>	<b>66%</b>

Year	BRIA		Efficiency of total usage
	Burdekin Channel Diversion (ML)	Total Water usage (ML)	
2006/07	386216	275338	71%
2007/08	328870	216690	66%
2008/09	301473	182031	60%
2009/10	391870	258057	66%
2010/11	119308	65621	55%
2011/12	282687	177813	63%
2012/13	324270	198997	61%
2013/14	459554	270037	59%
2014/15	481063	341548	71%
2015/16	402133	292114	73%
<b>Average</b>	<b>347744</b>	<b>227825</b>	<b>66%</b>

Year	Haughton		Efficiency of total usage
	Zone A Diversion (ML)	Total Water usage (ML)	
2006/07	31,556	37,984	120%
2007/08	22,018	30,742	140%
2008/09	19,101	27,061	142%
2009/10	38,465	35,571	92%
2010/11	5,872	6,677	114%
2011/12	29,603	20,387	69%
2012/13	26,873	20,610	77%
2013/14	44,671	29,668	66%
2014/15	47,405	46,422	98%
2015/16	47,019	47,031	100%
<b>Average</b>	<b>31,258</b>	<b>30,215</b>	<b>97%</b>



From: Sunwater Irrigation Price Path on behalf of Price Path  
 Subject: Sunwater response: Price Path feedback about consultation  
 Date: Thursday, 7 December 2023 5:26:00 PM

Thank you for contacting [redacted] this week and providing your feedback about our price path feedback mechanisms. We appreciate that you made the effort to reach out and in response would like to address your view that not enough consultation was conducted in various mediums during Sunwater's development of its pricing submission.

Consultation with Sunwater's customers and providing genuine opportunities for customers to provide feedback to influence Sunwater's proposal has been at the core of our three-stage engagement plan. The process saw Sunwater engaged at a state-wide level with peak irrigation representative bodies as well as at scheme level.

We knew from feedback already gathered that our irrigation customers generally prefer face-to-face engagement and so we provided every irrigation customer the opportunity to participate in the proposal development process and join us in person. We followed each stage of engagement up with an online session and we attended or hosted various additional face-to-face and online meetings as requested. The following opportunities were available to Burdekin Haughton irrigation customers:

Engagement activity	Venue	Date	Time
Stage 1 engagement - Learn how we are developing our proposal and how you can be involved	Burdekin Theatre	18 May 2023	11:30am - 1:30pm
	Online meeting open to all customers	15 June 2023	From 10:00am
Stage 2 engagement - Our draft pricing proposal	Burdekin Theatre	11 July 2023	11:30am - 1:00pm
	Online meeting open to all customers	10 August 2023	From 10:00am
Discussion about: <ul style="list-style-type: none"> <li>Outcomes of the 2020 Review as it related to the treatment of the GBA tariff group</li> <li>Water Plan rules</li> <li>The QCA's view on how costs should be allocated</li> <li>Sunwater's support of the 2020 Review outcome</li> </ul>	BRIA meeting	24 July 2023	10:30am-11:30am
	GBA meeting	24 July 2023	12:30pm-1:30pm
Feedback forum to allow customers opportunity to provide de-identified feedback on the following proposals: <ul style="list-style-type: none"> <li>changes to Service and Performance plans</li> <li>changes to the way renewals expenditure is recovered through irrigation prices</li> <li>a permanent, symmetrical electricity cost pass-through mechanism in seven schemes</li> </ul>	GoVote survey	14-18 August 2023	
Stage 3 engagement - Our pricing proposal	Clare Sports & Recreation Club	Fri 24 November	9:30am - 11:00am
	Online meeting open to all customers	23 November 2023	From 10:00am
Ongoing communications through email, phone		Ongoing	

As you mentioned, some customers are not comfortable speaking up in face-to-face meetings, and so at each session, we provided refreshments and Sunwater staff stayed back to have one-on-one conversations with customers. We have also been available to customers via phone or email and continue to take calls and respond to correspondence. Throughout the three stages of engagement, customers have contacted us and provided feedback by phone and email and we have responded to each person. Feedback received during our Stage 1 and 2 engagement shaped our Stage 3 engagement materials. For example, customers asked for more detailed information on scheme-specific costs including specific details on renewals expenditure and we ensured this information was discussed at our customer meetings and published in the [scheme summaries](#).

Our online GoVote forum was another way for us to evaluate customer preferences. The response rate of nine per cent was considered excellent by the platform supplier. They consider above five per cent a sound response rate. Given the response rate and evidence that the process was sound, Sunwater feels confident that GoVote was a robust measurement of customer preferences.

Ultimately though, we are confident that we provided every customer an equal opportunity to participate in a way that suited their preference. For example, we have taken on board changes to customer preference on the ECPT proposal, and welcome ongoing conversations about the best path forward. We have provided detailed factsheets about our three main proposals and a scheme summary for each scheme, and have ensured that every customer has equal access to this collateral.

Again, thank you for reaching out and please don't hesitate to provide further feedback to us, or the QCA, going forward.