

Service & Performance Plans refresh

Irrigation Price Path

1 July 2025 to 30 June 2029

Feedback from our regional operations teams, who know and understand our customers, led Sunwater to undertake a review of the purpose and effectiveness of our Service & Performance Plans (S&PPs). As a result, we have developed a proposal to refresh the plans to make them more relevant, timely, and easier to interpret. This factsheet outlines our proposed changes.

Customer feedback

To gauge support for the changes we are proposing, we will invite online feedback from all irrigation customers in impacted schemes. We will provide more information on this process in the coming weeks.

If feedback from customers indicates they are supportive of this change, this proposal may form part of our submission to the Queensland Competition Authority (QCA) for the four-year Irrigation Price Path period commencing 1 July 2025.

What are S&PPs and why do we have them?

S&PPs are:

- an important part of Sunwater’s commitment to customers and stakeholders – ensuring they are informed and working closely with us to identify and work towards solutions that deliver real value
- prepared annually for each irrigation service contract area: 22 water supply schemes and four distribution schemes.

The current purpose of S&PPs is to:

- consult with our customers on forecast costs for the upcoming financial year and the forward program of works
- examine Sunwater’s performance in the most recently completed financial year against cost (recommended QCA cost targets) and service targets and electricity-related metrics (if applicable)
- detail a range of proposed immediate and long-term improvement projects and provide a detailed breakdown of anticipated costs.

Key issues

We have identified two key challenges and their causes within the current S&PP development process. These are outlined below:



Stage

Preparation of S&PPs – this involves reviewing the prior year’s performance and developing forecasts.



Challenges

The current process typically takes 9-12 months to complete.



Cause

This extensive timeframe is largely due to S&PPs having the dual purpose of performance and forecast.

By the time actuals are collated and reviewed, the next forecasting cycle has commenced, contributing to a delay in publication.

Engagement with irrigator or customer advisory committees and other stakeholders

Performance data is effectively “out-of-date” by the time it is published. Forecasts generally lack relevance, do not impact prices and are left to an appendix.

Current preparation process typically takes 9-12 months to complete

S&PPs lack pricing context – Sunwater’s actuals and forecasts do not affect prices until they have been through a QCA review.

Our proposed refresh of S&PPs

S&PPs remain an important part of Sunwater's commitment to customers and stakeholders – ensuring that they are informed, and working closely with us to identify and work towards solutions that deliver real value.

To better deliver on that purpose Sunwater is proposing that:

- we continue to prepare S&PPs annually for each irrigation service contract area
- we compare our actual cost performance against cost targets recommended by the QCA in a focused and timely manner
- we limit our focus on forecasts to the next year only.

These changes will help us to publish S&PPs in a much more timely manner, leading to more timely and meaningful customer engagement.

A simplified purpose

The purpose of S&PPs from their current state to a simplified purpose is described below:

Move from this...

- present Sunwater's projected costs for the upcoming five-year period
- consult with our customers on forecast costs for the upcoming financial year and the forward program of works
- examine Sunwater's performance in the most recently completed financial year against cost and service targets and electricity-related metrics (if applicable).

...to this

- examine Sunwater's performance (including specific electricity-related metrics in key schemes) in the most recently completed financial year against:
 - QCA cost targets
 - service targets
- consult with our customers on forecast costs and project priorities for the upcoming financial year.



Key benefits



improved focus on performance against targets



more timely publication (within 4-6 months compared with current 9-12 months)



reduced effort developing and reviewing forecast revisions that have no impact on prices or operational activities.

Customer engagement

Sunwater is committed to proactive and ongoing engagement with customers and acknowledges the feedback we have received over the past few years. We are rolling out a three-stage engagement plan to share information on our Irrigation Price Path 1 July 2025 to 30 June 2029 draft future prices, as well as:

- refreshing Service & Performance Plans
- how Sunwater recovers its renewals costs through prices
- a permanent electricity cost pass-through mechanism in seven relevant schemes.

We are holding customer forums in regional centres and providing all relevant forum details and information materials online at www.sunwater.com.au/projects/price-path

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Stay informed

We will update our website as the project progresses.

www.sunwater.com.au/projects/price-path

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