

Meeting Minutes

Date: Monday 20 November 2017

Time: 3pm

Location: SunWater Chinchilla Office

Attendees: John Kelly, SunWater Service Manager, Chinchilla
John Bender, IAC Chair
Mark Jenyns, IAC Member

Apologies: David Uebergang, IAC Member
Ian Wolski, IAC Member

Chair: John Bender

Minutes: John Kelly

Item No.	Item	HB Doc No.	Presenter
1.	Welcome and Introductions		John K
2.	Apologies		Chair
3.	Review of Previous Minutes		Chair
4.	Business Arising from Previous Minutes		Chair
5.	Agenda Items		Chair
6.	Water Storage Update		John K
7.	R&E Update		John K
8.	SunWater Customer Service Commitment		John K
9.	2017 Network Service Plan Performance Report		John K
10.	General Business		All

Agenda Item 1 – Welcome and Introductions

The Chair opened the meeting at 3pm and welcomed the IAC members and thanked them for their time to attend the meeting.

Agenda Item 2 – Apologies

David Uebergang and Ian Wolski

Agenda Item 3 – Review of Previous Minutes

The minutes from the previous meeting were reviewed and were deemed to be a true and accurate record of the meeting. Moved John Bender, Seconded Mark Jenyns.

Agenda Item 4 – Business Arising from Previous Minutes

1. Calibration of Chinchilla Weir Tailwater Gauge

Following up on the above issue, raised at the previous meeting, SunWater advised the IAC that the tail water gauge is owned by DNRM and as such they are responsible for the calibration/gauging's at this location. SunWater sourced detail on this site from the Water Monitoring Information Portal and advised that there has been 243 gauging's at this location between August 1955 and November 2016. Analysing this information and in discussion with SunWater's hydrographers, SunWater advised the IAC that it has no concerns with the accuracy of the streamflows recorded at this gauging station.

2. Separation of buoy line during floods

SunWater confirmed that the current buoy line is not designed to separate during flood events. The IAC raised concerns about boats that need to travel over the buoy line during flood events, including the SES boat and whether it would be better for the buoy line to separate. SunWater advised it would look into the whether a shear pin mechanism could be incorporated into the existing buoy line.

Agenda Item 6 – Water Storage Update

SunWater advised that as at 20 November 2017 the volume stored in chinchilla weir was 5,771ML or 59%. SunWater further advised that in accordance with the rules in the ROP, releases to customers downstream of the weir had recently ceased.

Agenda Item 7 – R&E Update

SunWater provided the IAC with an update on the 2 R&E projects for the scheme this financial year as follows:

1. Minor repairs to concrete face of the weir – there are some small areas on the face of the weir where the reinforcement is exposed. These sections will be cut out, reinforcement replaced to ensure the correct cover and concrete re-established. This work is planned for January/February 2018.
2. Options analysis for conduit isolation – this study will look into the options available to isolate the conduit so that maintenance can be conducted on the downstream valves. This study has commenced and will be completed by May 2018.

Agenda Item 8 – SunWater Customer Service Commitment

SunWater provided the IAC with a copy of its draft Customer Service Commitment for review, comment and feedback. The Customer Service Commitment is a result of SunWater recognising that as a business, it needs to be more customer focused. The IAC were supportive of the document.

Agenda Item 9 – 2017 Network Service Plan Performance Report

The 2017 Network Service Plan Annual Performance Report was tabled and discussed. SunWater stepped through the document with explanations provided around the schemes revenue and expenditure items.

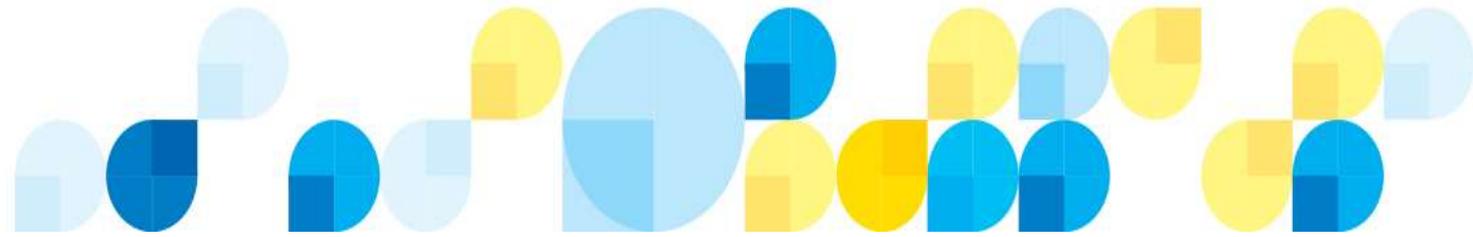
There were no issues raised by the IAC in relation to the 2017 NSP Performance Report.

Agenda Item 10 – General Business

There were no general business items raised.

ADDENDUM – QCA Irrigation Price Review

As an addendum to the meeting minutes SunWater has attached a presentation on the QCA Irrigation Price Review. This presentation was to be presented by SunWater's Pricing Manager, Lisa Welsh, however Lisa had not commenced with SunWater at the time of the IAC meeting. The presentation provides some preliminary detail on the process that will be undertaken in establishing the new irrigation water price path and was emailed to the IAC on 7 December 2017.

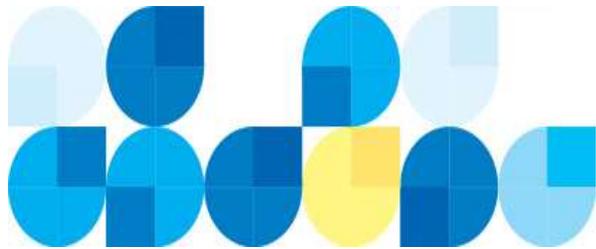


QCA Irrigation Price Review

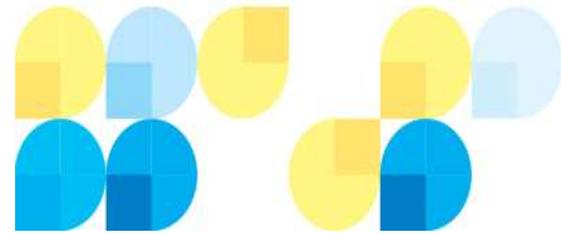
IAC Presentation

November – December 2017

Lisa Welsh, Water Pricing Manager

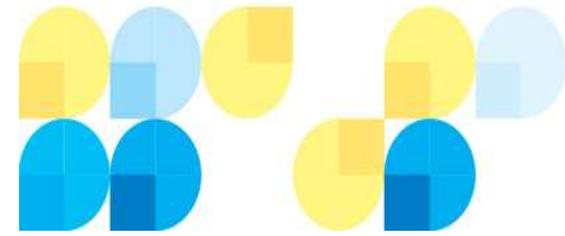


Overview



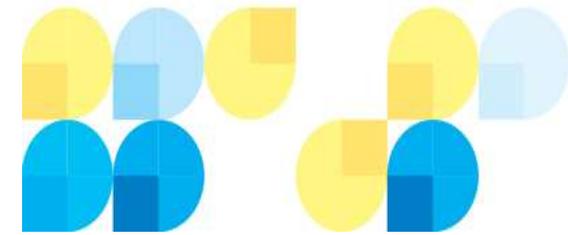
- Key messages from the Customer Survey
- Corporate Goals and Objectives for the Price Review
- QCA Process
- Customer Consultation Process
- Questions

Key messages from the Survey: What do customers want?



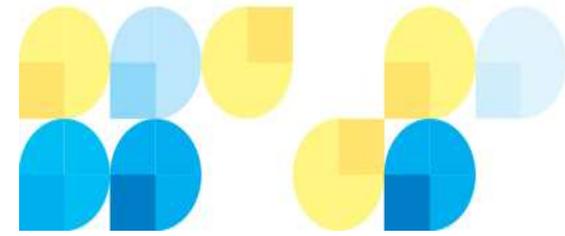
Efficient Costs	Improved Network Service Plans
<ul style="list-style-type: none">• Better value for money• More cost effective services• Customers want don't want to pay more for better services	<ul style="list-style-type: none">• Need to help customers understand costs better• Information on renewals is helpful but could be improved• NSPs have increased cost transparency but more can be done

Corporate Goals and SunWater's Objectives for the Price Review



Corporate Goal	Objective
Supportive stakeholders	<ul style="list-style-type: none">• Enhance customer relationships by working with the IACs and the CRG to provide transparency of costs• Customer involvement supported by clearly articulated, robust SunWater submissions including revised NSPs
Commercially focused operations	<ul style="list-style-type: none">• Identification of cost efficiency targets• Recovery of efficient costs
A sustainable business	<ul style="list-style-type: none">• Lower-bound cost recovery for all schemes with no shortfall (including CSO payments)• A light-handed regulatory approach

QCA Process



The Treasurer issues the QCA with a referral notice to conduct a price investigation

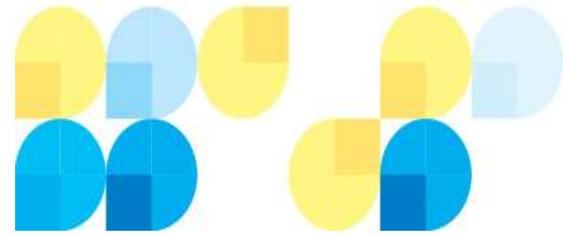
QCA issues a public notice of investigation seeking stakeholder submissions.

QCA reviews SunWater's costs, considers issues raised by stakeholders and conducts public hearings

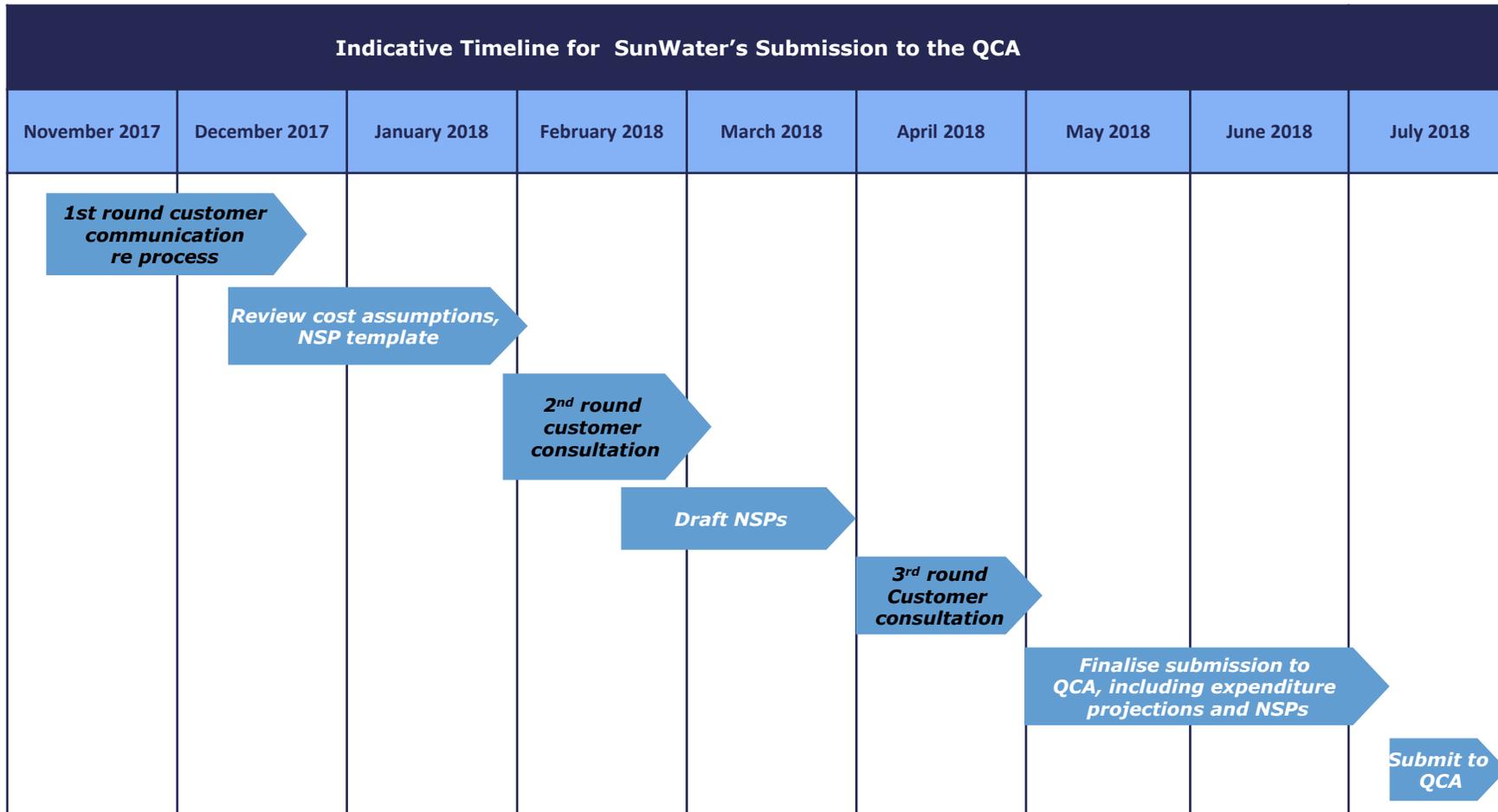
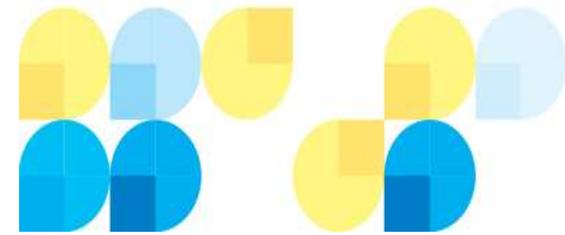
QCA releases a draft report for stakeholder comment, followed by a final report recommending prices to Government

The Government issues a Rural Water Price Direction

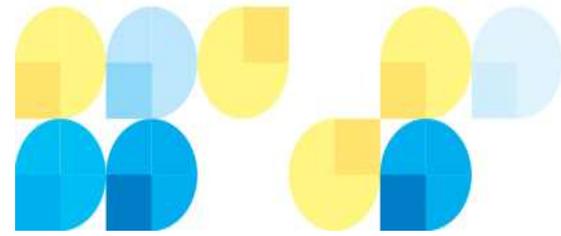
Customer Consultation Process



- A two step process with 3 phases: CRG to provide high level strategic input relevant to all customers and IACs to provide scheme-specific input
- Phase 1 (in progress): communication regarding process, timeframes, preliminary feedback on customer information needs
- Phase 2: Network Service Plan Template, draft infographics, cost drivers
- Phase 3: Overview of expenditure (CRG), draft Network Service Plans (IACs)

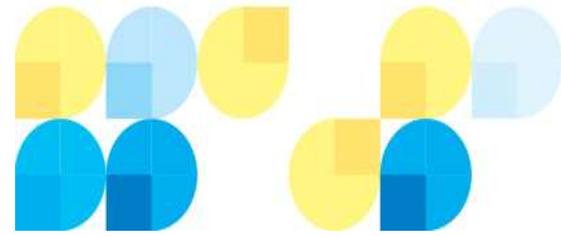


Network Service Plans



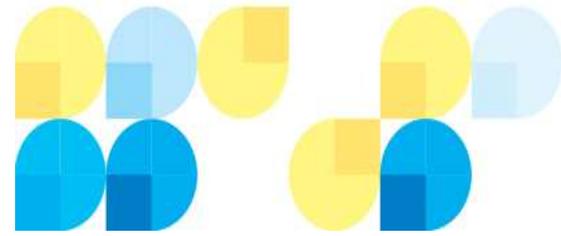
- Network Service Plans (NSPs) are the primary tool that SunWater uses to explain costs to customers.
- There is an opportunity to build on these Plans to provide better and more transparent information to customer eg:
 - Include 5 yearly expenditure projections to align with the QCA price reset period
 - more clearly articulate the purpose of the NSPs
 - Provide detail on corporate overheads
 - Articulate the link between costs and the asset management framework?

Network Service Plans



- What information do customers want to see in the Network Service Plans?
- How do customers want to engage on the longer term planning horizon for the schemes ie beyond 5 years?

Infographics



- SunWater will be developing infographics to support its submission and customer engagement.
- What are the key concepts the customers would like to understand more clearly? eg how prices are set, revenue building blocks, how costs are allocated?

Sample Infographics

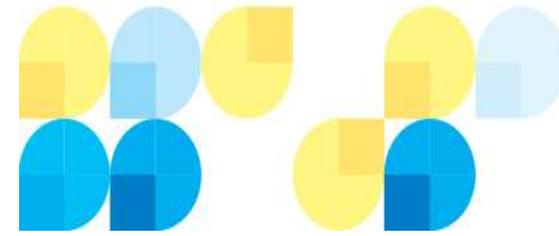
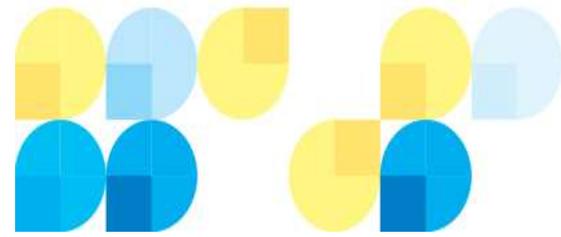


Figure 5.1: Notional revenue requirement per customer in water security mode— proposed for 2017-22 regulatory period compared with approved for 2012-17 regulatory period (\$2016-17)



Source: SDP



Questions or feedback?

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