



Final Performance Report 2026

Bundaberg Distribution Service Contract

12 October 2026

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At a glance

Our customers

The Bundaberg Distribution scheme supplies water for a wide range of uses including irrigation, stock and domestic, urban and commercial purposes. The scheme services a diverse array of crops including sugar cane, sweet potatoes, tomatoes, rockmelons, watermelons, capsicum, zucchini, beans, macadamia nuts, avocados, peanuts, soybeans, strawberries and blueberries. Water is also provided to Bundaberg Regional Council for treatment and distribution for urban use.

Our irrigation charges

Table 1 – Scheme irrigation charges for 2026-27

Charges by tariff group 2026-27							
Bundaberg Distribution		Irrigation charge ¹		Cost-reflective charge ²		Δ to cost-reflective	
Fixed charges							
Medium Priority	Part C	63.40	\$/ML	91.93	\$/ML	28.53	\$/ML
Variable charge							
Usage	Part D	54.33	\$/ML	54.33	\$/ML	0.00	\$/ML

1. Prices exclude the Queensland Government's 15 per cent discount for irrigation customers. Further details on how irrigators can secure the discount is provided in [DLGWV Irrigation Pricing Rebate Fact Sheet](#).
2. The cost-reflective prices are set by the Queensland Competition Authority (QCA) in its 2025-29 irrigation price investigation. Costs reflect the lower bound cost recovery i.e. recovery of future replacement and ongoing maintenance and operations.

¹ Includes planned shutdown notifications, unplanned shutdown duration and maximum interruption targets.

For more information on Sunwater's fees and charges, refer to

www.sunwater.com.au/customer/fees-and-charges/

Our performance

 Operations and maintenance costs				
		QCA allowance \$'000	Sunwater \$'000	Variance to allowance %
Actual	2025-26	15,145.2	17,200.5	13.6%

 Expenditure funded by the annuity				
		QCA allowance \$'000	Sunwater \$'000	Variance to allowance %
Actual	2025-26	3,889.0	6,052.6	55.6%

 Water delivered			Total	To irrigators
2024-25			91,397 ML	77,852 ML
2025-26			101,323 ML	84,164 ML
Year-on-year change by group			10.9%	8.1%

 Service targets ¹		Performance
2024-25		All service targets met.
2025-26		All service targets met.

Introduction

This Performance Report summarises Sunwater's performance, expenditure and service delivery outcomes for 2025-26.

The purpose of this year's report for Bundaberg Distribution is to:

- report on Sunwater's performance against service targets in 2025-26
- present actual operating and annuity-funded expenditure incurred during 2025-26
- compare actual expenditure against the allowances included in current prices
- provide an update on electricity performance, tariff review outcomes and areas of focus for the year ahead.

Sunwater engages formally and informally with its customers throughout the year. The annual Performance Report is an important part of this engagement process, giving customers a transparent view of service performance, expenditure and key activities undertaken in 2025-26.

We welcome and encourage your feedback on this report. To have your say, please contact us via email or post:

Email: sppfeedback@sunwater.com.au

Post: S&PP Feedback
PO Box 15536
City East Qld 4002

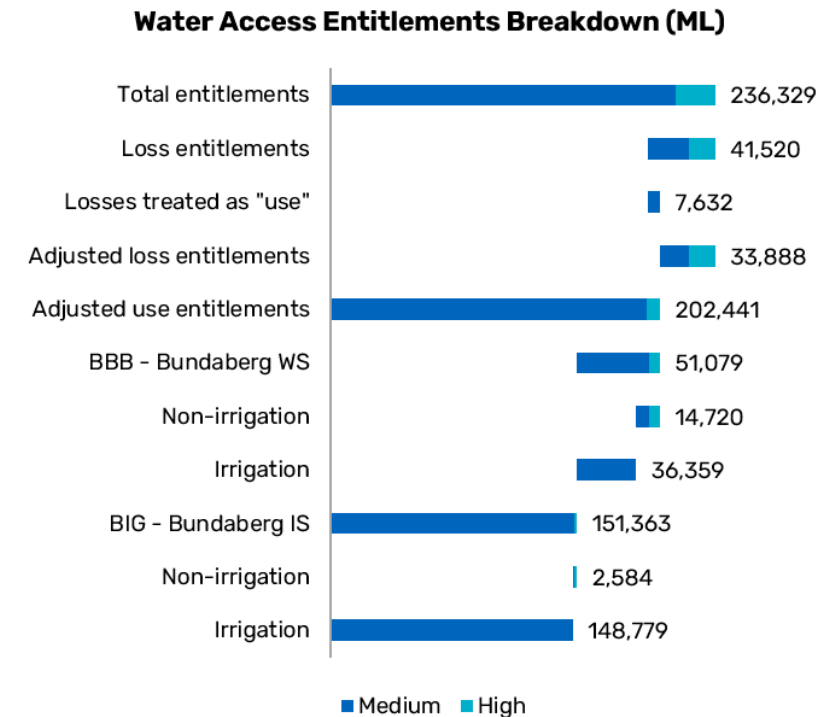
All financial figures reported in this document are in nominal dollars i.e. dollars of the day. Figures may not sum due to rounding.

Delivering services to our customers

Entitlements

The water allocations² for each customer segment are shown below.

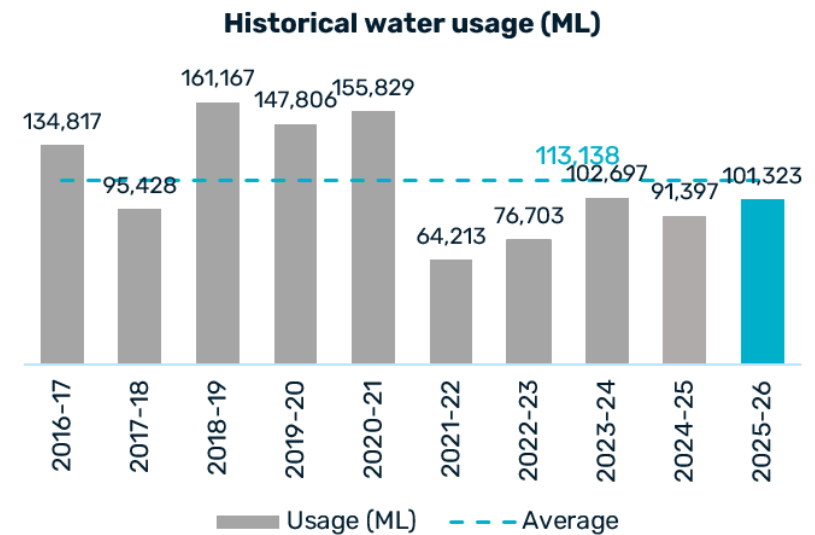
Figure 1 – Water access entitlements (as at 30 June 2026)



Historical water usage

The chart below shows annual water usage for the past 10 years. It includes water deliveries to Burnett Water Pty Ltd and distribution losses.

Figure 2 – Historical water usage for the past 10 years.



- Usage in 2025-26 was broadly in line with the 10-year average of 113,659 ML.
- Part D prices for current period were set using a 20-year average of 100,893 ML.

² Includes distribution system. Excludes Burnett Water Pty Ltd (Paradise Dam)

Service targets

Sunwater and its customers have agreed Water Supply Arrangements and Service Targets for Bundaberg Distribution. Table 2 sets out recent performance against selected service targets for this scheme.

In 2025-26, target exceedances occurred due to ageing infrastructure and pipeline failures requiring urgent repairs. To minimise disruption to customers while completing operations and maintenance repairs, several planned outages were strategically scheduled during periods of low demand.

Table 2 - Scheme service targets and performance

Service target		Target	Number of exceptions		
			2023-24	2024-25	2025-26
Planned shutdowns – notification	For shutdowns planned to exceed two weeks	8 weeks	0	0	0
	For shutdowns planned to exceed three days	2 weeks	0	0	0
	For shutdowns planned to be less than three days	5 days	0	0	0
Unplanned shutdowns – duration ¹	Unplanned shutdowns will be fixed so that at least partial supply can be resumed	72 hours	0	2	0
Maximum number of interruptions ²	Planned or unplanned interruptions per water year	10	14	27	21

1. Number of times the unplanned shutdown has exceeded the shortest of the peak/off peak periods.

2. Total number of customers in the scheme that have been interrupted more than the target.

Sunwater has also customer interactions service targets. Our performance against these targets in 2025-26 is shown in Table 3.

Improved reporting and data analysis has been implemented to provide greater visibility of performance trends, enabling issues to be identified earlier and results to be monitored and managed more closely throughout the year to support achieving the target.

Table 3 - Customer interactions service targets and performance

Service target	Target	2025-26
Telephone answering ¹	80.00%	96.00%
Requests actioned within SLA timeframes ²	> 95.00%	94.88%

1. The percentage of 13 15 89 calls answered within 60 seconds.

2. The percentage of email or workflow requests to the Customer Support team e.g. property transfers and temporary transfers that are completed within the agreed SLAs. SLA timeframes range between five and 17 business days, depending on the request.

Key infrastructure

Table 4 lists the key infrastructure used to deliver distribution services to our customers in Bundaberg.

Table 4 – Key infrastructure

Asset	Description	Capacity
Isis Balancing Storage	Earth embankment across a watercourse. Classified as a referable dam under the <i>Water Supply (Safety and Reliability) Act 2008</i> .	6,160 ML
Woongarra Balancing Storage	Earthen embankment constructed across two small watercourses. Classified as a referable dam under the <i>Water Supply (Safety and Reliability) Act 2008</i> .	1,225 ML
Gooburru Balancing Storage	Earth embankment across a shallow depression.	1,040 ML
Bullyard Creek Balancing Storage	Earth embankment.	453 ML
Monduran Pump Station	Four pumps. Also performs a bulk water function.	1,100 ML/day
Don Beattie Pump Station	Three pumps.	648 ML/day
Bullyard Creek Pump Station	Four pumps.	415 ML/day
Woongarra Pump Station	Five pumps.	395 ML/day
Gooburru Pump Station	Two pumps.	300 ML/day
Quart Pot Creek Pump Station (two sections)	Four pumps (two in each section).	250 ML/day 275 ML/day
Walker Street Pump Station	Four pumps.	225 ML/day
Dinner Hill Pump Station	Three pumps.	160 ML/day
Tirroan Pump Station	Two pumps.	72 ML/day
North Gregory Pump Station	Two pumps.	63 ML/day
Bucca Pump Station	Two pumps.	60 ML/day
McIlwraith Pump Station	Two pumps.	60 ML/day
Abbotsford Pump Station	Two submersible pumps.	23.7 ML/day

Cost of delivering services – Operating expenditure

Operating expenditure covers the day-to-day costs of delivering water services, including operations, maintenance, electricity and support activities.

Operating expenditure is one of the key components used to determine customer prices. Variances between actual expenditure and QCA allowances can occur due to changes in operating conditions, market costs, compliance requirements and work program priorities.

While these variances do not affect prices during the current price path (2025–29), they may be considered by QCA when assessing future operating cost allowances.

Table 5 sets out actual operating expenditure for Bundaberg Distribution.

Bundaberg Distribution is one of our high electricity consuming schemes; this category is discussed on the following page.

Our performance in 2025-26

Operating expenditure in 2025–26 was primarily driven by vegetation management, asset maintenance and compliance activities undertaken to support the ongoing operation and reliability of the scheme.

Key activities driving expenditure escalation included:

- cost of chemicals for treatment of aquatic and terrestrial weeds
- high-voltage (HV) current and voltage transformer testing across all HV sites to meet legislative and electrical safety requirements
- replacement of the Monduran crane bus bar to maintain the reliability of critical infrastructure.

Contractor expenditure increased during the year due to additional mowing and slashing activities, together with civil pipe repair works to maintain asset condition and service levels.

Additional resources were also deployed before and after flood events to remove Woongarra pump sets, undertake flood response and recovery activities, and complete asset inspections to assess infrastructure condition and support the safe return of systems to service. These activities supported operational resilience, regulatory compliance and the continued delivery of reliable water services to customers.

Table 5 - Operating expenditure

 Operations and maintenance costs by sub-category 2025-26 actuals (\$'000)			
	QCA allowance ²	Actuals	Variance to allowance %
Insurance	1,210.6	1,075.9	-11.1%
Electricity	5,435.8	5,063.1	-6.9%
Operations & maintenance	4,207.6	6,246.5	48.5%
Support costs	4,291.2	4,815.0	12.2%
Less costs transferred for Gin Gin Main Channel and Monduran Pump Station ³	-46.5	-52.8	13.6%
Total opex ¹	15,098.7	17,147.7	13.6%

1. From 1 July 2020, irrigation customers no longer contribute to the cost of operating and maintaining recreational facilities. These costs have been excluded from the total operating expenditure.
2. QCA allowance is based on the 2025-29 irrigation price investigation final recommendations.
3. Under the water planning framework, the Gin Gin Main Channel and Monduran Pump Station (part of the Bundaberg distribution system) perform a bulk water function. In its 2025-29 irrigation price investigation final recommendations, QCA transferred a share of the Gin Gin Main Channel and Monduran Pump Station costs from the Bundaberg Distribution Service Contract to the Bundaberg Bulk Water Service Contract. Refer to section 9.1.2 of QCA's final report at <http://www.qca.org.au/project/rural-water/irrigation-price-investigation-2025-29/>

Electricity in focus

Sunwater continued to proactively manage electricity costs in 2025–26. An annual tariff optimisation review of pump stations on regulated retail tariffs identified more suitable tariff arrangements, reducing average electricity costs from 48.68 c/kWh to 44.02 c/kWh. If the pump stations had remained on their previous tariffs, average electricity costs would have increased to 49.33 c/kWh. Sunwater also continued to monitor energy performance and operational trends to identify further efficiency opportunities.

Electricity metrics

Table 6 sets out electricity usage and efficiency-related information for Bundaberg Distribution.

Table 6 – Electricity usage and efficiency-related metrics

Metric	2022-23	2023-24	2024-25	2025-26
Electricity usage (kWh) – pump stations	17,063,539	20,538,369	18,954,528	18,541,644
Water usage (ML) ¹	62,737	102,697	91,397	101,323
Volume pumped	97,766	127,021	126,209	137,135
Actual electricity cost (\$) ²	4,410,794	4,836,737	4,889,930	5,047,275
Actual electricity cost per ML (\$/ML delivered)	70.31	47.10	53.50	49.81
Average pump energy indicator ³ (kWh/ML/per metre of head)	3.81	4.03	3.71	3.46

1. Includes distribution losses.

2. Post transfer of five per cent of electricity costs related to the Monduran Pump Station to the Bundaberg Bulk Water Service Contract.

3. The industry guidelines are 3.4 to 4.5, depending on the size and design of the pump station, with the benchmark for larger pump stations being more efficient.

Monitoring pump efficiency relies on detailed energy and water usage data. Since interval meters were installed in early 2020, Sunwater has been able to capture more detailed electricity consumption data and monitor pump performance and efficiency more regularly.

2026-27 tariff review outcome

Sunwater completed its annual electricity tariff review using historical interval data to assess electricity supply arrangements across the scheme. The review confirmed that the existing tariff arrangements remain the most cost-effective option for regulated tariff sites. While no tariff changes were required for the pump stations supplied under regulated retail tariffs, changes to electricity pricing are expected to reduce the scheme's average electricity cost from 29.25 c/kW to 25.68 c/kWh in 2026-27.

The annual tariff review applies only to pump stations operating under regulated retail electricity tariffs. Electricity costs for contestable sites are managed through separate electricity supply contracts and are therefore not included in the average cost comparisons presented above.

Table 7 – Electricity tariff arrangements

Pump station	2026-27
Abbotsford	T22E
Bucca	T22E
Bullyard	Contestable
Dinner Hill	Contestable
Don Beattie	Contestable
Gooburru	Contestable
Monduran	Contestable
McIlwraith	T22E
North Gregory	T22E
Tirroan	Contestable
Quart Pot	Contestable
Walker St	Contestable
Woongarra	Contestable

1. *The regulated retail tariff is subject to change with variations in customer water demand or operational requirements.*
2. *Energy rates have been negotiated as part of the electricity supply contract and are commercial-in-confidence.*

Focus areas for 2026-27

In 2026-27, Sunwater will continue to:

- monitor and optimise pump station energy performance
- identify opportunities to improve operational energy efficiency
- undertake annual electricity tariff reviews to ensure tariff arrangements remain fit for purpose
- assess renewable energy and energy storage opportunities, consulting with customers where value can be demonstrated
- monitor electricity market, regulatory and network pricing developments that may affect future electricity costs.

Cost of delivering services – Renewals annuity and non-annuity funded expenditure

Understanding the renewals annuity

Customers contribute to a renewals annuity through their water prices to fund the future replacement and refurbishment of scheme assets.

The annuity balance reflects the cumulative difference between annuity revenue collected from customers and annuity-funded expenditure incurred by Sunwater over time. A positive annuity balance indicates that revenue collected exceeds expenditure incurred to date, while a negative balance indicates expenditure incurred exceeds revenue collected to date. While variances do not affect prices during the current price path (2025–29), they may be considered in future price reviews.

Annuity-funded expenditure includes major asset renewal and refurbishment activities required to maintain current service levels. Non-annuity funded expenditure primarily relates to Dam Improvement Program activities and recreational facility costs.

Our performance in 2025-26

Sunwater maintains a long-term asset management program that considers asset condition, asset risk and expected service requirements when planning renewal activities.

As a result, the timing and cost of renewal projects delivered in any given year may differ from those assessed by QCA. Variations can occur due to changes in project scope, delivery timing, weather events and updated asset condition information.

Table 8 summarises the major annuity-funded projects delivered during 2025-26 excluding Gin Gin Main Channel and Monduran Pump Station and outlines the value these projects provide to customers.

Table 9 provides the same information for projects delivered at Gin Gin Main Channel and Monduran Pump Station.

Table 8 – Major annuity-funded projects delivered in 2025-26 (73 per cent of total project expenditure)

Facility	Activity description	Actual \$'000	Actual % of total	Project purpose and value
Scheme	Electrical infrastructure renewal program.	762	15%	Delivered planning, design and project management activities to support the Bundaberg Distribution Scheme electrical infrastructure renewal program. The program addresses ageing electrical assets, improves safety, reliability and maintainability, reduces the risk of service interruptions, and supports the long-term resilience of the water supply system.
Quart Pot Pump Station	Replace electrical upgrade based on known asset condition and age.	607	12%	Replace ageing high and low voltage electrical boards, controls and associated equipment with modern systems to reduce operational risks, improve reliability and support the continued operation of the pump station. Stage 1 work scheduled to commence in 2026-27.
Woongarra Pump Station	Refurbish pump based on known asset condition and age.	509	10%	Refurbish two pumps and motors, including replacement of end-of-life pump sections, to improve pump station reliability and support ongoing service delivery.
Bingera, Isis, Gooburrum & Woongarra Distribution	Replace customer meters based on known asset condition and age.	317	6%	Replace end-of-life customer meters as part of the ongoing meter replacement program to maintain metering accuracy, support compliance with metering standards and enable future metering improvements.
Quart Pot Pump Station	Pump station electrical upgrade – detailed design	211	4%	Complete detailed design for the replacement of ageing high and low voltage electrical boards, controls and associated equipment. The project supports the future upgrade of critical electrical systems, reducing operational risks and improving pump station reliability.
Gooburrum Distribution	Channel slide gate replacement.	139	3%	Replace end-of-life channel slide gates to improve asset reliability, maintain water delivery operations and reduce the risk of equipment failure.
Quart Pot Pump Station	Replace discharge valve.	111	2%	Replaced an end-of-life discharge valve, improving pump set reliability and reducing the risk of unplanned maintenance.
Quart Pot Pump Station	Replace discharge valve.	109	2%	Replaced an end-of-life discharge valve, improving pump set reliability and reducing the risk of unplanned maintenance.
Gooburrum Distribution	Replace station services transformer.	95	2%	Replaced an end-of-life station services transformer, improving power supply reliability and supporting the ongoing operation of the pump station.
Bullyard Pump Station	Refurbish storage trash screen.	93	2%	Refurbished the primary trash screen and replaced the re-lift storage trash screen, restoring functionality and improving the reliability of pump station operations.

Facility	Activity description	Actual \$'000	Actual % of total	Project purpose and value
Woongarra Distribution	Refurbish surge tank, gates, fencing and access roads based on known asset condition and age.	81	2%	Refurbished surge tanks, gates, fencing and access roads to restore asset condition, improve reliability and support ongoing water delivery operations.
Bingera Distribution	Refurbish siphon screen, guides, surge tank, access roads, and fencing based on known condition and age.	78	2%	Refurbished siphon screens, guides, surge tanks, access roads and fencing to restore asset condition, improve reliability and support ongoing water delivery operations.
Woongarra Distribution	Pump station refurbishment.	78	2%	Refurbished the pump, motor and valves at Woongarra Pump Station to restore asset condition and improve operational reliability.
Don Beattie Pump Station	Inlet screen replacement.	76	2%	Replaced a set of primary river inlet screens to restore functionality and protect pump station infrastructure.
Bucca Pump Station	Valve and storage screen replacement.	75	1%	Replaced ageing valves and storage screens to restore functionality and improve the reliability of pump station operations.
Bulkyard Pump Station	Discharge and non-return valve refurbishment	72	1%	Refurbished a set of discharge and non-return valves to improve pump station reliability and support the ongoing delivery of water services.
2025-26 total		3,489	70%	

Table 9 – Major annuity-funded projects delivered at Gin-Gin Main Channel and Monduran Pump Station (95 per cent of total project expenditure)

Facility	Activity description	Actual total cost \$'000	Distribution share of actual project costs \$'000	Project purpose and value
Gin Gin Main Channel	Refurbish pump unit no. 4 based on known asset condition and age.	332	315	Refurbished Pump Unit No. 4. The works included a full overhaul of the pump set, valves and refurbishment of the electric motor, improving reliability, operational efficiency and ongoing service delivery.
Gin Gin Main Channel	Refurbish concrete lining based on known age and condition.	151	143	Replaced failed and deteriorated sections of concrete lining. The works restored functionality and supported the reliable operation of the channel.
Gin Gin Main Channel	Replace regulator gate.	138	131	Replaced a regulator gate which had reached end of life with a modern equivalent to restore functionality and improve the reliability of channel operations.
Gin Gin Main Channel	Refurbish earthworks.	101	96	Completed stabilisation works on a susceptible section of the earthen channel, including repairs to areas affected by slumping and damage resulting from the March weather event. The works improved channel stability and supported reliable water delivery.
2025-26 total		722	686	

Table 10 and Table 11 compare Sunwater's actual annuity position against the allowances included in current prices. Variances do not affect prices during the current price path (2025-29) but may be considered in future price reviews.

Variance assessments are only provided for annuity-funded expenditure and the closing annuity balance, as these are the primary drivers of potential future pricing outcomes. Opening balances, annuity revenue and interest are components of the annuity calculation and are therefore not assigned an assessment. Variances within ± 5 per cent of the QCA allowance are considered broadly in line with the allowance.

Table 10 – Annuity and non-annuity funded expenditure and roll-forward

 Annuity-funded expenditure and annuity balance 2025-26 actuals (\$'000)				
	QCA allowance²	Actuals	Variance to allowance %	Variance assessment
Opening balance	(6,567.8)	(7,595.0)	15.6%	-
Annuity funded expenditure	(3,889.0)	(6,052.6)	55.6%	Above allowance
Annuity revenue ³	2,717.6	2,717.6	0.0%	-
Interest	(437.5)	(505.9)	15.6%	-
Closing balance	(8,176.6)	(11,435.9)	39.9%	Above allowance
Other expenditure (not part of prices)				
Dam Improvement Program	-	0.0	-	-
Recreational facility projects ¹	-	0.0	-	-
Metered offtakes and dividend reinvestment ⁴	-	0.0	-	-

1. *Forecast annuity-funded costs from 2020-21 exclude recreational facility projects.*

2. *Reflects QCA's 2025-29 irrigation price investigation final recommendations.*

3. *The annuity contribution is included in the prices paid by bulk water and distribution customers. The annuity contribution for 2025-26 is based on QCA's irrigation price investigation 2025-029 final recommendations.*

Annuity balance – Gin Gin Main Channel and Monduran Pump Station

The Gin Gin Main Channel and Monduran Pump Station form part of the Bundaberg Distribution System but also perform a bulk water function. As a result, a share of the annuity-funded costs for these assets is allocated to the Bundaberg Bulk Water Service Contract and recovered through bulk water prices. For 2025-26, this resulted in a transfer of \$13,300 in annuity-funded expenditure to the Bundaberg Bulk Water Service Contract. Table 11 shows the annuity-funded expenditure and annuity balance associated with these assets.

Table 11 – Gin Gin Main Channel and Monduran Pump Station annuity balance²

 Annuity-funded expenditure and annuity balance 2025-26 actuals (\$'000)				
	QCA allowance	Actuals	Variance to allowance %	Variance assessment
Opening balance	(148.65)	(229.08)	-54.1%	-
Annuity-funded expenditure	(253.52)	(989.30)	290.2%	Above allowance
Annuity revenue ³	265.92	265.92	0.0%	-
Interest	(9.90)	(15.26)	-54.1%	-
Closing balance	(146.15)	(967.71)	-562.2%	Below allowance

1. The annuity contribution is collected through customer prices and is based on QCA's 2025-29 price review determination.
2. In its 2025-29 irrigation price investigation final recommendations, QCA transferred a share of the Gin Gin Main Channel and Monduran Pump Station costs from the Bundaberg Distribution Service Contract to the Bundaberg Bulk Water Service Contract. Refer to section 9.1.2 of QCA's final report at <http://www.qca.org.au/project/rural-water/irrigation-price-investigation-2025-29/>.