

Dawson Valley Customer Advisory Committee

Date: Wednesday 19 November 2025

Time: 9:00am - 11:00am

Location: Moura Youth Centre, 53 Gillespie Street MOURA

Attendees:

Customer representatives: Greg Hutchinson, Andrew French, Kirk Anderson, Mitch Anderson, Scott Becker.

Sunwater representatives: Daryl Conway (Operations Manager Biloela), Craig Cahill (General Manager – Fitzroy), Brodie Shepperd (Senior Project Manager), Caley Pearce (Stakeholder Relations Advisor), Letisha Lim (Stakeholder Relations Manager – Operations, online), Megan Shea (Water Security & Policy Manager, online), Matthew Pearce (Head of Regulatory & Pricing, online), Kayleen Walsh (Board Member, online)

Department representatives: Ariane Leyden

Apologies: Scott Stevens, Ashley Jensen, Simon Green, Ian Becker

Minutes:

Agenda items		
Item no.	Item	Presenter
1	Meeting open	Daryl Conway
2	Previous meeting overview/ actions	Daryl Conway
3	Region Update – Fitzroy	Craig Cahill
4	Dawson Valley Service & Performance Plans (S&PP)	Daryl Conway
5	Regulated Asset Base (RAB) - Irrigation Price Review	Matthew Pearce
6	Water Planning Update	Megan Shea
7	Smart Schemes	Brodie Shepperd
8	Customer Engagement	Caley Pearce
9	General Business	Daryl Conway

1. Meeting open

- Meeting opened at 1:01 pm.
- Introductions and Acknowledgement of Country delivered.
- Previous minutes discussed, and agenda presented.

2. Region Update - Fitzroy

Sunwater provided an update on the new Fitzroy and Pioneer Bowen Basin regions, formerly the Central region. Craig Cahill, General Manager, Operations – Fitzroy was introduced to the members of the Customer Advisory Committee.

Craig Cahill can be contacted on 0437 148 832 or Craig.Cahill@sunwater.com.au

3. Dawson Valley Service & Performance Plan (S&PP)

Sunwater provided an overview of the Dawson Valley Service and Performance Plan (S&PP) 2025, noting they are published on the Sunwater website on the scheme pages.

- **Member question:** Member asked if the historic water usage figures included actual diversions within the water year, for example, does carryover get included in the previous year.
- **Sunwater response:** Sunwater confirmed carryover is treated as usage and included in the figures for the relevant financial year, such as FY23–24, unless there is no carryover.
- **Member question:** Member asked how incorrect electricity costs were included in the S&PP if Sunwater knew the figures were wrong.
- **Sunwater response:** Sunwater advised that forecasts are prepared months in advance, and many figures are set early. Conditions often change, making forecasts outdated. The challenge is selecting the right snapshot for reporting while ensuring the information remains useful and transparent.

Sunwater shared that over the next 12 months, it is aiming to simplify the S&PP to focus on actuals and performance against QCA benchmarks as well as retaining forecasts for meaningful discussions about future plans. Sunwater may separate forecasting from the S&PP, but this will be determined in consultation with customers to ensure value.

- **Member question:** Member queried electricity metrics showing increased kilowatt usage despite pumping less water.
- **Sunwater response:** Sunwater advised variations can result from changes in pump operation and storage levels.
- **ACTION:** Sunwater to review electricity usage variations.
- **Member question:** Member asked what measures reduced MW last year.
- **Sunwater response:** Sunwater confirmed it depends on water levels and whether one or two pumps were operating.
- **Member question:** Member asked if the S&PP line item for three buoys at Gyranda Weir would be corrected.
- **Sunwater reply:** Sunwater advised the cost reflects 24 buoys, anchors, and installation across the entire river system.

- **Member question:** Member asked about the purpose of the QCA price path process if actual spending exceeds forecasts, e.g., \$670K for Smart Schemes.
- **Sunwater response:** Sunwater confirmed Smart Schemes costs were included in the current QCA determination, which covers five schemes over four years, including Dawson Valley.
- **Member question:** Member queried customers confidence in the S&PP when actual spending differs from forecasts.
- **Sunwater response:** Sunwater acknowledged the need for improved short-term forecasting. Reporting actual spend remains important, as some costs (e.g., \$300K for meter replacement) were not forecast but incurred.
- **Member question:** Member asked about the \$657K forecast for the Moura Offstream Storage (MOSS) 20-year dam safety study.
- **Sunwater response:** Sunwater advised the study is a legislative requirement every 20 years. Sunwater noted it would query the cost as it appears inconsistent with the storage type and conditions.
- **ACTION:** Sunwater to review MOSS safety study cost.
- **Member question:** Member asked Sunwater to explain the Dawson Supply, Arc Flash Incident Energy Reduction (AFIER) program costs.
- **Sunwater response:** Sunwater advised the pump station was built 20 years ago as a temporary solution and noted there is a genuine arc flash risk. The upgrades are required to meet current safety standards.
- **Member question:** Member asked how the timing for refurbishing the MOSS submersible pump was determined.
- **Sunwater response:** Sunwater noted the pump failed, which dictated the timing.
- **Discussion:** Members and Sunwater discussed risk modelling and whether further studies would uncover new information.
- **ACTION:** Invite Dam Safety representative to the next CAC meeting.
- **ACTION:** Provide details on study and storage safety improvement program.
- **Member question:** Member asked why routine projects like the Dawson study and asset revaluation annuity funded rather than treated as operational projects.
- **Sunwater response:** Sunwater advised given the frequency of these works, they meet the definition of project activities that are funded through annuity. This is standard across all Sunwater irrigation schemes and meets QCA guidelines.
- **Member question:** Member asked why Sunwater stopped including revenue figures in the S&PP.
- **Sunwater response:** Sunwater reiterated its previous advise to the CAC members that the profit and loss snapshot previously included was misleading and changes to the S&PP inclusions were communicated during the previous price path.
- Cost forecasts that appear higher than QCA figures do not affect current or next year's prices; any impact would occur from 1 July 2029 after the QCA's ex-post review. The main driver of future prices is the cumulative impact over the four-year price path. Sunwater acknowledges challenges with forecasting and is improving processes by validating work plans earlier, aiming for greater confidence in future S&PPs and the next irrigation price review.

- **Member statement:** Member tabled their view that moving to a RAB model would impact the annuity balance. They noted a RAB would significantly increase potential prices compared to if the money had not been spent and shared concern around rising prices and negative renewals balances.
- **Sunwater:** Sunwater noted while the processes are related, they are separate. Under either model—RAB or annuity—the approach is the same: Sunwater submits forecasts to the QCA for assessment and the QCA conducts a post-expenditure review. It is a fundamental feature (as outlined in the presentation) that under the RAB model balances are always negative – that is customers are not asked to pay for something that is forecast to occur outside the four-year price path period.

4. Regulated Asset Base (RAB) – Irrigation Price Review

In response to the Queensland Government’s consideration of a regulated asset base (RAB) methodology for renewals recovery, Sunwater presented on its RAB review, its purpose, scope and key dates; QCA methodology; and the significance of closing annuity balances.

- **Member statement:** Member noted concern about the home loan versus insurance analogy for the RAB approach is the number of “home loans” under this model instead of “paying insurance”
- **Sunwater response:** Sunwater explained under the RAB arrangement, each new capital project is treated as a separate “home loan.” An allowance is calculated for each asset based on renewal cost and expected asset life, which represents the loan term. This allowance is applied to the RAB account balance, which remains in negative and is indexed annually. For context, Sunwater and Seqwater are the only government-owned regulated utilities in Australia still using annuity; all others have transitioned to the RAB methodology.
- **Member Question:** Member asked about the CASPr costs referenced in the presentation.
- **Sunwater Response:** Sunwater explained CASPr was built into the Opex allowance and did not affect renewals. The total amount across all service contracts was approximately \$2.5 million, which will be removed from the four-year allowance.
- **Member question:** Member noted Sunwater claims expenditure is approved by the QCA. Member asked if the QCA didn’t approve annuity-funded expenditure completed over the past 12 months and forecast for the next 12 months, when will that be considered? The QCA indicates an annuity balance of \$3M+, and we assume customers will be refunded over four years. When will Sunwater recover the additional couple of million dollars spent beyond forecasts?
- **Sunwater response:** Sunwater advised this will be addressed at the next full irrigation pricing review, expected to commence late next year. Formal submission to the QCA is scheduled for 30 November 2027. The QCA will apply its usual roll-forward process. As previously explained, prices will not change due to over- or underspend until the next price path period, which for Sunwater begins no earlier than 1 July 2029.
- **Member Question:** Member asked about the figures in the RAB Irrigation Customer Invoice Calculator when they differ from those presented in 2023. For example, in 2023 it was \$15/ML, and now it’s \$18/ML.
- **Sunwater response:** Sunwater noted that figures are not static; the process is designed to evolve. The 2023 proposal was submitted to the QCA, which made significant changes, including adjustments to Opex forecasts, inflation, and other elements. The QCA’s final report also required changes to Sunwater’s capitalisation rules for the RAB methodology, which is reflected in the updated calculator figures.

- **Member question:** Member asked why would customers want to support the RAB approach if we're worse off?
- **Sunwater response:** Sunwater noted the presentation is part of the information process. The decision to about RAB would be made by the Queensland Government. Sunwater has outlined the merits of both methodologies, and customers can form their own judgment on which approach they prefer. For a scheme like Dawson Valley forecast prices need to be considered alongside the rebate provided to return your positive annuity balance.
- **Member question:** Member noted the presentation was missing an explanation of how the RAB and annuity models are funded. Previously, when revenue data was provided, the scheme was making several million dollars. Member suggested Sunwater is taking money from the Dawson Valley scheme.
- **Sunwater response:** Sunwater noted each scheme is independent. Costs allocated to a scheme are funded first from available scheme funds. If additional funds are required, Sunwater borrows from Queensland Treasury as part of its annual corporate planning process. Dawson Valley does not subsidise other schemes; for example, there is no link between Dawson Valley and Lower Mary—they are separate. Sunwater is not, and cannot, take money from any scheme.
- **Discussion:** Members and Sunwater discussed scheme profits, annuity balances, forecasting, and differences between the RAB and annuity methodologies.
- **Member question:** Member asked what Sunwater is doing to keep prices down.
- **Sunwater response:** Sunwater stated this will be a key focus of the next full irrigation pricing review, noting that current initiatives such as the Asset Management Improvement Program are focused on finding efficiencies.

5. Water Planning Update

Sunwater presented on water planning, including MOSS modelling, and an update on the Central Queensland Water Plan.

- **Member question:** Member asked about the increased difficulty to change carryover rules when it was easier a few years ago.
- **Sunwater response:** Sunwater noted it has been reviewing methodology in another scheme. The Department of Local Government, Water and Volunteers (DLGWW) advised not to progress any changes to carryover until DLGWW provides a policy position paper.
- **Discussion:** Sunwater and members discussed different carryover options.

6. Water efficiencies and resilience delivered by Smart Schemes.

Sunwater presented on the water efficiencies and resilience to be delivered by the Smart Schemes program.

- **Member question:** Member asked if Sunwater was using modelling for these predictions, or installing more gauges.
- **Sunwater response:** Sunwater confirmed it is installing about 20 new HiLo Radar Sensor gauges, costing around \$1,600 each. These gauges are installed on bridges, crossings, and environmental poles and measure river height to sub-millimetre accuracy. Hydrographers also measure flows and ratings to understand streamflow rates. Bathymetry measures waterholes. This technology is a

significant improvement over traditional gauging stations and helps maintain water levels in the scheme.

- **Member question:** Member asked if the work was for flood mitigation.
- **Sunwater response:** Sunwater replied it is for low-flow management to improve water efficiency.
- **Member question:** Member asked if the data would be available to customers.
- **Sunwater response:** Sunwater confirmed it intends to publish some flow data on the Sunwater website and is working on a project to make meter data available to customers. The next step is to include forecast water data.
- **Member question:** Member asked about the spend to date of approximately \$680K and what the ongoing costs were forecast to be.
- **Sunwater response:** Sunwater confirmed most expenses to date have been for bathymetry and LiDAR. An aircraft was flown along the Dawson River and major creeks and a boat with sensors and GPS was used to develop a river profile. This data feeds into a model that includes inflows and outflows, providing valuable operational insights.
- **Member question:** Member asked if customers would be provided access to the LiDAR and modelling data.
- **Sunwater response:** Sunwater confirmed it would be and noted it is resolving challenges with the customer portal. The data will also be provided to DLGWV and made publicly available.
- **Member question:** Member asked about the timeframe for project completion.
- **Sunwater response:** Sunwater advised the model will be built and gauges installed by June 2026.

7. Customer Engagement

Sunwater provided an update on the revised CAC Terms of Reference, the finding from the recent CAC member survey and a reminder to complete the Sunwater Customer Survey.

8. General business

Sunwater presented the Operations Update for the Dawson Valley.

- **Member question:** Member asked about when pumping carryover water stops once it is announced as cancelled.
- **Sunwater response:** Sunwater replied that technically, from when the weir begins to overflow. Sunwater aims to communicate cancellations promptly but allows some leeway within the business day to account for delays in receiving notifications.
- **Member question:** Member questioned an action item from the December 2024 CAC meeting regarding developing a plan to address issues with the 20% differential.
- **Sunwater response:** Sunwater responded that work has been done on that, including publishing a paper on the topic. However as previously advised, we will not be proceeding any further until the Central QLD Water Plan Review is complete. Any further work on it will be done in conjunction with the water plan review.
- **Member response:** Member produced a letter from the Water Resources Commission, 1989, which they claimed counteracted the paper. According to the member, channel irrigation customers could apply for supplemented water. The member asked for the paper to be amended to reflect this.

- **Sunwater response:** Sunwater agreed to review the letter and paper.
- **Member question:** Member asked whether Sunwater has gotten legal advice into the basis of continuing to provide the 20% differential, as they were currently getting it. If it shows favourable, they will proceed to legal options to get this.
- **Discussion:** Heated discussion between committee members regarding representation of customers interests and potential conflict of interests was raised.
- **Sunwater response:** Sunwater responded that they will not be entering this discussion at this time. Sunwater will continue to review this information.
- **ACTION:** Sunwater to review additional documentation to be provided by member.
- **Member question:** Member asked about the meter validation process, noting new meters installed are operational but not validated because they are dual-purpose meters. Clarification was sought about customers are required to do by 30 November 2025.
- **Sunwater response:** Sunwater replied it is aware of an issue between itself and DLGWV. The meters have been validated internally; Sunwater must finalise the process. This process is underway.
- **ACTION:** Sunwater to clarify meter validation process.

9. Meeting close

Meeting closed at 11:24am. Next meeting scheduled for 26 March 2026.

10. Actions

Action item	Owner	Status
Sunwater to review electricity usage variations.	Daryl Conway	In progress
Invite Dam Safety to the next CAC meeting.	Daryl Conway	In progress
Provide details on study and storage safety improvement program.	Daryl Conway	In progress
Sunwater to review the letter and paper against the member's claims.	Daryl Conway	In progress
Sunwater to clarify meter validation process.	Daryl Conway	In progress

11. Approval and review

Chair:	Daryl Conway
Minutes:	Caley Pearce
Date:	19 November 2025

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