

**Date:** Tuesday 9 February 2021

**Time:** 10am

**Location:** Brookstead Hall

**Attendees:**

**Independent Chair:** Lindsay Krieg

**Representing customers:** Jan Lafrenz, Johannes Roellgen, Fraser Bligh

**Council members:** NA

**Sunwater representatives:** John Kelly, Darrell McKinlay, Courtney Chester, Rachel Collins

**Guests:**

**Apologies:** Gary Cooper, Richard Jubb

Agenda items		
Item no.	item	Presenter
1	Welcome and Introductions	Chair
2	Apologies	Chair
3	Review of Previous Minutes	Chair
4	Business Arising from Previous Minutes	Chair
5	Storage Update	John K
6	FY21 Scheme Budget and Expenditure Review	John K
7	FY21 R&E Program Update	John K
8	Electricity cost pass through trials - Update	Courtney C
9	Water Sharing Rules – Short Term AA - Update	John K
10	21/22 Service and Performance Plan (SPP)	John K
11	General Business	John K

**address:** Green Square North, Level 9, 515 St Pauls Terrace,  
Fortitude Valley, Queensland 4006

**post:** PO Box 15536, City East, Queensland 4002

**ACN:** 131 034 985

**telephone:** 13 15 89

**email:** customersupport@sunwater.com.au

**facsimile:** +617 3036 6482

**sunwater.com.au**

## 1. Welcome and introductions

The Chair opened the meeting at 10:10am and thanked the committee members for their attendance.

## 2. Apologies

Gary Cooper and Richard Jubb

## 3. Review of Previous Minutes

The minutes from the previous meeting held on [12 August 2020](#) were reviewed and accepted as a true and accurate record.

## 4. Storage Update

Sunwater advised the IAC that the current storage of Leslie dam was 12,793ML or 12.04%. Sunwater provided the IAC with a plot of the historical performance of the storage is available for review [here](#).

## 5. FY21 Scheme budget and Expenditure review

Sunwater provided the IAC with the Profit and Loss (P&L) report for the scheme to 31 January 2021. Of note:

- Operating Revenue is below budget by \$98k at \$1,622k
- Operating expenses are below budget by \$344k at \$874k
- Operating profit is ahead of budget by \$203k at \$704k

The full P&L for the scheme for to 30 January 2021 is available for review [here](#).

The IAC discussed the CSO revenue contribution in the P&L of \$85k YTD noting the full year CSO budget is \$146k. Sunwater took to look further into the detail and revert back to the IAC.

**Post meeting note:** Sunwater followed-up on the IAC's query regarding the Community Service Obligation (CSO) payable by the Queensland Government in the Upper Condamine scheme and can confirm that one applies in 2020/21.

The CSO relates to:

- the difference between the 2020/21 actual Part A and B prices paid by irrigation customers in the North Branch – Risk A tariff group and the QCA's 2020/21 cost-reflective Part A and B prices (approximately \$6,000)
- irrigators' share of the scheme's Dam Improvement Program costs (Sandy Creek or Condamine and North Branch tariff groups only) (approximately \$140,000).

## 6. FY21 R&E Program Review

Sunwater provided the IAC of a summary of the FY21 R&E program which is available for review [here](#) and includes actual costs to date for each project. The IAC endorsed the programs progress and advised they considered the jobs being undertaken were all justified.

**address:** Green Square North, Level 9, 515 St Pauls Terrace,  
Fortitude Valley, Queensland 4006

**post:** PO Box 15536, City East, Queensland 4002

**ACN:** 131 034 985

**telephone:** 13 15 89

**email:** [customersupport@sunwater.com.au](mailto:customersupport@sunwater.com.au)

**facsimile:** +617 3036 6482

**sunwater.com.au**

## 7. Electricity Cost Pass-through Trials

Sunwater advised the IAC of the update on the electricity cost pass through trials that was sent to customers in the scheme in January 2021 (see attachment to the minutes). A further presentation on the trial was provided to the IAC by Sunwater's pricing team (Rachel Collins and Courtney Chester) is available for review [here](#). The IAC advised they were supportive of the trial and noted it seemed fair and equitable and anything that demonstrated cost reflective recovery should be pursued. The Chair offered to send an email to all scheme customers on the subject endorsing the trials.

**Post meeting note:** An email from the IAC chair to all scheme customers was sent out on 22 February 2021.

## 8. Water Sharing Rules – Short Term AA Update

An action from the previous meeting was for Sunwater to investigate the option of surrendering 85ML of Mean Annual Diversion (MAD) from the 163ML that Sunwater holds in its trading account. Surrender of this water would then address an equivalent increase in MAD that was demonstrated to occur in the eSource model for the Upper Condamine when the short term AA rule was applied.

Sunwater advised the IAC that it was supportive of the surrender of this water and had approached the Dept of Regional Development, Manufacturing and Water (DRDMW, formerly DNRME) to understand any concerns they may have. Sunwater advised the Urban Water Planning division within the department queried what amending the AA water sharing rules would have on the high priority water supply reliability. Sunwater advised the Urban Water Planning division that the modelling had demonstrated that there was no change to the MAD for the high priority town water supply. No other issues had been raised by the department in terms of the proposed surrender of allocation.

Sunwater advised the IAC that the next steps needed to include broader consultation with the wider customers base, consultation with Southern Downs Regional Council and confirmation that the modelling completed is adequate prior to submission of an amendment application to the department.

## 9. 21/22 Draft Service and Performance Plan

Sunwater provided the IAC with the draft 21/22 Service and Performance Plan for the scheme. This plan is available for review [here](#) with an Information Sheet available [here](#). Sunwater noted the key performance measures for 2019-20 as follows:

- Operating costs were \$1.45m or 7.1% less than forecast
- Annuity funded costs were \$0.3m or 7.6% more than forecast
- Total water deliveries were 7,793ML

Sunwater noted the outlook for 2021/22 as follows

- Forecast operating costs are \$1.63m
- Forecast annuity funded costs are \$0.48m

It was noted by the IAC in Table 9 of the document that there was a dividend reinvestment of \$64.5k in 2019/20. Sunwater advised it would look further into this expense and revert to the IAC with a response.

**Post meeting note:** The \$64.5k in 2019-20 was Sunwater 50% contribution towards the costs of a low level boat ramp at Leslie Dam with Southern Downs Regional Council contributing the remaining 50%

**address:** Green Square North, Level 9, 515 St Pauls Terrace,  
Fortitude Valley, Queensland 4006

**post:** PO Box 15536, City East, Queensland 4002

**ACN:** 131 034 985

**telephone:** 13 15 89

**email:** customersupport@sunwater.com.au

**facsimile:** +617 3036 6482

**sunwater.com.au**

## 10. General Business

Nil

## 11. Approval and Review

Chair:	Lindsay Krieg
Minutes:	John Kelly
Date:	9 April 2021

**address:** Green Square North, Level 9, 515 St Pauls Terrace,  
Fortitude Valley, Queensland 4006

**post:** PO Box 15536, City East, Queensland 4002

**ACN:** 131 034 985

**telephone:** 13 15 89

**email:** [customersupport@sunwater.com.au](mailto:customersupport@sunwater.com.au)

**facsimile:** +617 3036 6482

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