sunwater

Final Service and Performance Plan 2025

Bundaberg Bulk Water Service Contract

12 February 2026

As part of ongoing commitment to continuous improvement, in early 2026 Sunwater intends to explore opportunities to further streamline and optimise the timely publication of performance against QCA allowances for regulated service contracts.

The intent of the review will be to find ways to publish financial year actuals against QCA allowances earlier.

As part of this review, we will look for ways to better communicate our renewals priorities to customers in the year(s) ahead.

Customer feedback on these proposals will be sought before any changes are implemented.

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This Service and Performance Plan has been prepared by Sunwater to provide indicative information to our customers for the purpose of consultation. It contains estimates and forecasts which are based upon a number of assumptions. The actual financial performance of the service contract to which this plan relates, and the operations and activities actually undertaken by Sunwater during the relevant periods, may vary materially from the information contained in this plan. This plan should not be relied upon beyond its purpose as a tool for consultation and you should not rely on the information contained in this plan in making decisions about your circumstances. Sunwater will not be responsible or liable for any loss (including consequential loss), claim or damage.

At a glance

Our customers

The majority of customers in this scheme are irrigators producing a diverse range of crops, including sugar cane, tomatoes, rockmelons, watermelons, capsicum, zucchini, beans, macadamia nuts, and avocados. In addition to supporting agricultural production, the scheme also supplies water to the city of Bundaberg and surrounding communities within the Bundaberg Regional Council area.

Our irrigation charges

Table 1 - Irrigation charges for 2025-26[1]

Charges by tariff group 2025-26							
Bundaberg		Irrigation charge[3]		Cost-reflective charge[4]		Δ to cost-reflective	
Fixed charges							
Medium priority	Part A	13.21	$/ML	13.21	$/ML	0.00	$/ML
Variable charge							
Usage	Part B	1.48	$/ML	1.48	$/ML	0.00	$/ML

1. *This table includes bulk water charges only. For distribution charges, please refer to the Distribution Service Contract S&PP.*
2. *Excludes BWPL charges (Paradise Dam).*
3. *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.*
4. *The cost-reflective prices are set by the Queensland Competition Authority (QCA) in its 2025-2029 irrigation price investigation. Costs reflect the lower bound cost recovery i.e. recovery of future replacement and ongoing maintenance and operations.*

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 $'000	Sunwater $'000	Δ to QCA	
Actual	**2024-25**	2145.7	3635.2	69.4%	▲
Forecast	**2025-26**	2232.1	3404.9	52.5%	▲

Operations and maintenance cost transfer from Gin Gin Main Channel and Monduran Pump Station		QCA $'000	Sunwater $'000	Δ to QCA	
Actual	**2024-25**	45.0	49.5	10.0%	▲
Forecast	**2025-26**	46.8	48.9	4.5%	◆▶

Expenditure funded by the annuity		QCA $'000	Sunwater $'000	Δ to QCA	
Actual	**2024-25**	1773.2	2754.8	55.4%	▲
Forecast	**2025-26**	1897.7	5805.6	205.9%	▲
Actual + Forecast	**∑ Price path**	6501.5	10,409.5	60.1%	▲

▲	△	◆▶	▽	▼
10% above the QCA target	5% above the QCA target	In line with the QCA target	5% below the QCA target	10% below the QCA target

Water delivered	Total		To irrigators		
2023-24	118,691	ML	95,648	ML	
2024-25	108,083	ML	92,728	ML	
	-8.9%	▼	-3.1%	◆▶	*Year-on-year change by group*

▲	◆▶	▼
5%	0%	-5%

Service targets	Exceedances	Notes
2023-24	0	Unplanned shutdowns (duration) and maximum number of interruptions were met.
2024-25	0	Unplanned shutdowns (duration) and maximum number of interruptions were not met.

Introduction

This Service and Performance Plan (S&PP) details a range of proposed scheme activities and projects and presents a breakdown of anticipated costs for review. It also sets out Sunwater's actual costs for 2024-25.

The purpose of this year's S&PP for Bundaberg Bulk is to:

- examine Sunwater's performance in 2024-25 against cost and service targets
- present Sunwater's projected costs for 2025-26
- consult with our customers on forecast operating and annuity-funded costs for 2025-26 and the forward program of works.

Input from customers is a valuable part of Sunwater's planning process and ensures we invest in areas that support the services we provide to customers.

Sunwater engages with its customers both formally and informally throughout the year and customer feedback is a valuable part of our planning process.

The publication of an annual S&PP is an important part of the formal feedback process, providing a snapshot of Sunwater's performance over the most recently completed financial year, as well as an outline of the areas of focus for the current year.

We welcome and encourage your feedback on this S&PP. 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

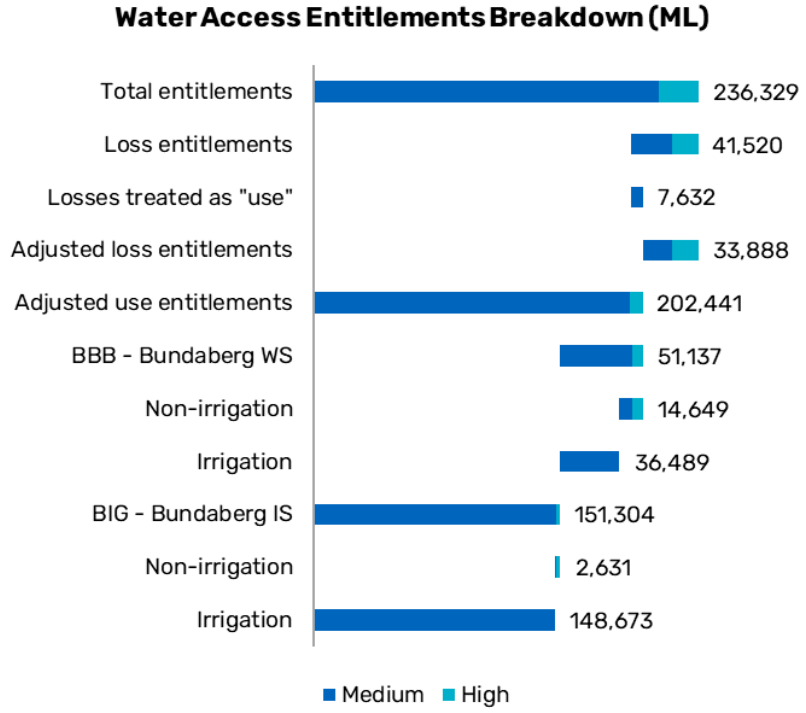
All financial figures reported in this document are in nominal dollars i.e. dollars of the day. Figures may not sum due to rounding.

Delivering services to our customers

Entitlements

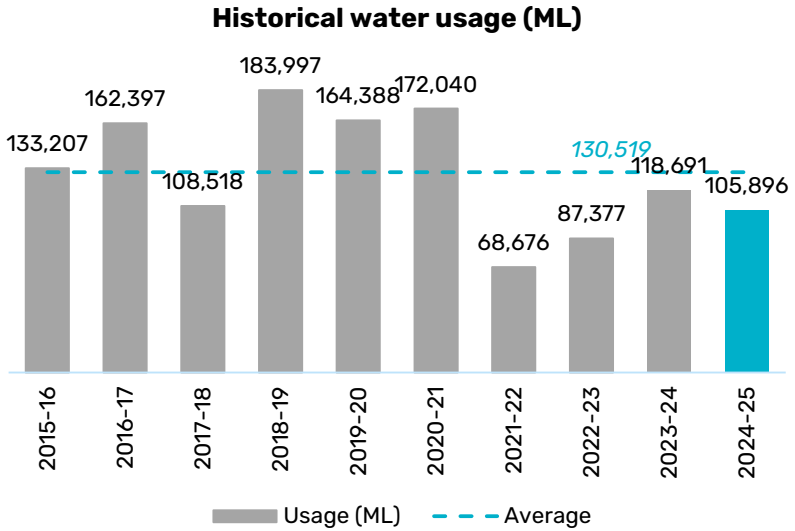
The water allocations[1] for each customer segment are shown below.

Figure 1 Bundaberg regulated service contracts water access entitlements (as at 30 June 2025)



Historical water usage

Figure 2 Historical water usage for the past 10 years



- Usage in 2024-25 was below the 10-year average of 130,519 ML.
- Part B prices for the current period were set using a 20-year average of 114,471 ML.

[1] *Includes distribution system. Excludes Burnett Water Pty Ltd (BWPL) (Paradise Dam).*

Service targets

Sunwater and customers have agreed water supply arrangements and service targets for Bundaberg Bulk. Table 2 below sets out our recent performance against selected service targets for this scheme.

Table 2 - Scheme service targets and performance

Service target		Target	Number of exceptions		
			2022-23	2023-24	2024-25
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	0	0
Maximum number of interruptions[2]	Planned or unplanned interruptions per water year	10	0	0	0

1. *The number of times the unplanned shutdown has exceeded the shortest of the peak/off peak periods*
2. *The total number of bulk water customers in the scheme who have been interrupted in excess of the target.*

In addition, Sunwater has company-wide customer interactions service targets. Our performance against these service targets in 2023-24 is shown in Table 3.

Performance in 2024-25 was impacted by higher-than-average turnover in the key processing team. The team entered 2025-26 with a key focus on uplifting capacity and capability and Sunwater is confident it will return to compliance with the Service Level Agreement (SLA) and sustain performance going forward.

Table 3 - Customer interactions service targets and performance

Service target	Target	2024-25
Telephone answering[1]	80.00%	95.00%
Requests actioned within SLA timeframes[2]	> 95.00%	89.86%

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 bulk water services to our customers in Bundaberg.

Table 4 - Key infrastructure

Asset	Description	Capacity
Fred Haigh Dam	Earth and rock fill dam. Classified as a referable dam under the *Water Supply (Safety and Reliability) Act 2008*.	562,000 ML
Ben Anderson Barrage	Tidal barrage with a four-gated vertical slot fishway.	30,300 ML
Ned Churchward Weir	Fully automated fish lock. Includes a small anabranch weir built to prevent the river from deepening at the anabranch.	29,500 ML
Bucca Weir	Roller compacted concrete.	11,600 ML
Kolan Barrage	Tidal barrage with a vertical slot fishway.	4020 ML
Monduran Pump Station	Three pumps. The pump station is also a distribution system asset.	1100 ML/day

Cost of delivering services—Operating expenditure

Operating expenditure includes funds for:

- operations activities i.e. operations, electricity and insurance
- preventative maintenance
- corrective maintenance.

Table 5 sets out actual and forecast operating expenditure for Bundaberg Bulk.

Our performance in 2024-25

In 2024-25, total operating costs were 68.2 per cent higher than QCA's recommended cost target.

Operating expenditure was above the target due to compliance and legislative requirements, including lungfish recovery efforts downstream of Ben Anderson Barrage and ongoing fishway operations. Additional costs were incurred for crane and hoist repairs and onboarding new staff to support operational needs. These activities were essential to meet regulatory obligations and maintain asset functionality.

Although routine expenditure incurred by the scheme is above the QCA allowance, Sunwater can only recover costs deemed prudent and efficient by QCA through water pricing.

Outlook for 2025-26

Operations

Bundaberg Bulk Water Service Contract's total operations budget (prior to cost transfers) in 2025-26 is 51.6 per cent above QCA's recommended cost target.

Insurance is one of Sunwater's largest expenditure items. These costs have increased significantly in recent years due to multiple flood events in Queensland and global insurable events impacting premiums. The escalation of insurance premiums has directly contributed to the rise in Sunwater's operating expenditure.

Sunwater's focus in 2025-26 is on performing operation and maintenance activities to a standard that ensures the scheme's reliability and functionality for delivering water to customers within agreed service standards, while also meeting asset maintenance standards and compliance obligations.

Table 5 - Operating expenditure

Operations and maintenance costs by sub-category								
	2024-25 actuals $'000				2025-26 forecast $'000			
	QCA[3]	Sunwater	Δ to QCA		QCA[4]	Sunwater	Δ to QCA	
Insurance	290.3	289.4	-0.3%	◆▶	298.7	316.6	6.0%	△
Electricity	11.7	16.9	45.0%	▲	12.0	13.9	15.7%	▲
Operations & maintenance	759.1	1338.0	76.3%	▲	782.6	1239.3	58.4%	▲
Support costs	1084.7	1990.9	83.5%	▲	1138.9	1835.1	61.1%	▲
Gin Gin Main Channel and Monduran Pump Station cost transfer from Bundaberg distribution[2]	45.0	49.5	10.0%	△	46.8	48.9	4.5%	◆▶
Total opex[1]	2190.7	3684.7	68.2%	▲	2278.9	3453.8	51.6%	▲

▲	△	◆▶	▽	▼
10% above the QCA target	5% above the QCA target	In line with the QCA target <5%	5% below the QCA target	10% below the QCA target

1. *From 1 July 2020, irrigation customers no longer contribute towards the cost of operating and maintaining recreational facilities. These costs have been excluded from the total operating expenditure.*
2. *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 2025-2029 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/.*
3. *The QCA allowance is based on the 2023-24 allowance, escalated by 2.24 per cent, the inflation rate set by QCA in 2020.*
4. *The QCA allowance is based on the 2025-2029 irrigation price investigation final recommendations.*

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

Our performance in 2024-25

Performance against the QCA target

Sunwater updates our program of works based on our whole-of-life replacement and maintenance strategy, which looks at the risk and condition of each asset and uses this information to estimate the future work required to ensure the asset will continue to provide the required level of service into the future. Other factors such as changes in project delivery timing e.g. due to weather may also affect the program of works.

These factors mean the actual program of works delivered in any given year will differ to the program assessed by QCA. At a project level, cost variances may also occur due to changes in the scope of work and cost inputs.

Project overview

Table 6 provides a description of the key annuity-funded projects undertaken in 2024-25, excluding Gin Gin Main Channel and Monduran Pump Station. It includes each project's purpose and the value it delivers. Table 7 focuses specifically on the major annuity-funded projects undertaken for the Gin Gin Main Channel and Monduran Pump Station during the same period.

Outlook

Details of the major annuity-funded projects planned for the 2025-26 period are set out in Table 8. Table 9 presents the projects planned for Gin Gin Main Channel and Monduran Pump Station.

Renewals discussion

Sunwater recovers expenditure required to renew (maintain the current level of service an asset provides) its assets via a renewals annuity. The annuity treats all renewals related expenditure as an expense i.e. not capital, and amortises a multi-year expenditure forecast (30 years) to smooth the amount customers pay relative to the actual expenditure profile. Negative opening balances reflect expenditure incurred by Sunwater which has not yet been recovered via the annuity contribution amount, while positive opening balances reflect expenditure which has been pre-recovered via the annuity contribution amount. Forecast annuity balances and the impacts of budgeted spend are shown in Table 10 and Table 11.

QCA and Sunwater closing balances differ due to differences in the expenditure profile allowed by QCA in its 2025-2029 final recommendations and actual expenditure incurred by Sunwater in 2024-25 and what we expect to spend in 2025-26.

Annuity-funded expenditure includes funds for planned corrective maintenance (PCM), as well as large, one-off operations activities. Activities include monitoring of the asset condition to inform when an asset needs to be refurbished or replaced under the PCM program.

Non-annuity funded expenditure largely relates to Sunwater's Dam Improvement Program and recreational facility costs.

Annuity-funded expenditure and project summary for 2024-25

Figure 3 compares actual annuity expenditure against the QCA allowance for the 2024-25 financial year, excluding Gin Gin Main Channel and Monduran Pump Station.

Figure 4 presents the same comparison specifically for Gin Gin Main Channel and Monduran Pump Station. For further details on the top projects undertaken by spend, refer to Table 6 and Table 7.

Figure 3 Comparison of actual annuity expenditure vs QCA allowance for 2024-25

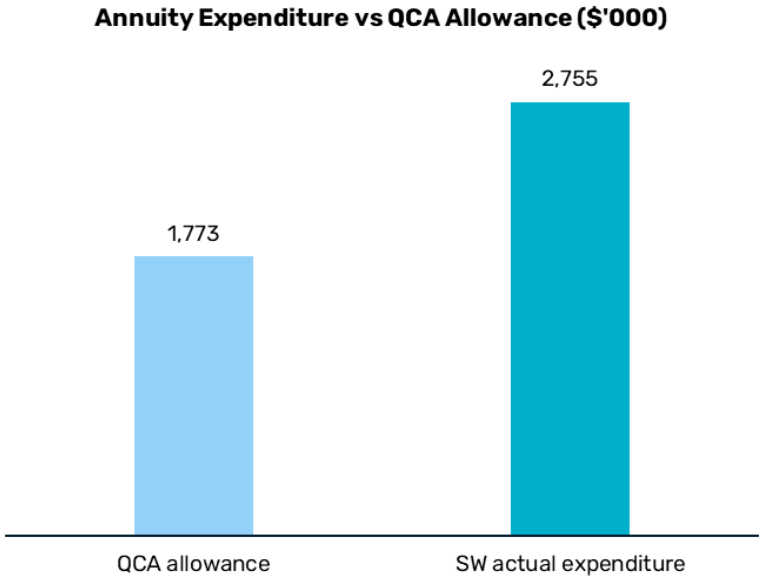


Figure 4 Comparison of actual annuity expenditure vs QCA allowance for Gin Gin Main Channel and Monduran Pump Station

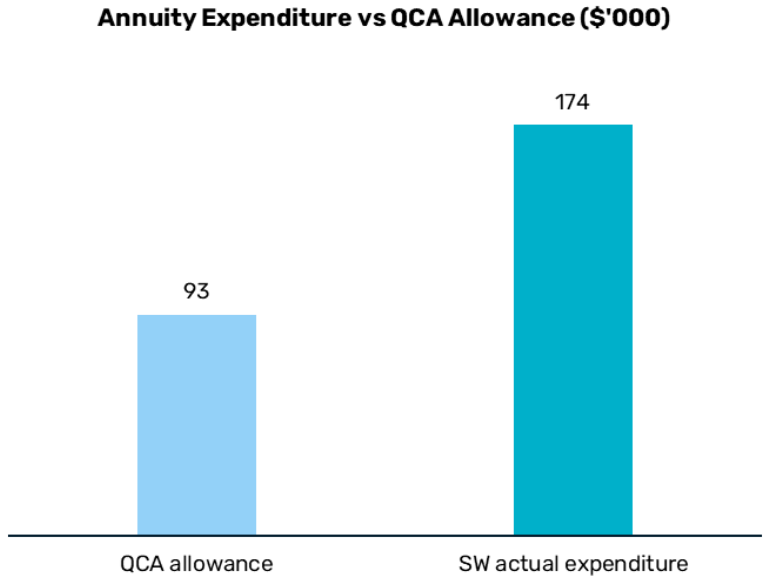


Table 6 lists the major annuity-funded projects delivered in Bundaberg Bulk (excluding Gin Gin Main Channel and Monduran Pump Station) covering 76 per cent of total project spend, and highlights their associated costs and significance.

Table 6 – Major annuity-funded projects for 2024-25

Facility	Activity description	Actual $'000	Actual % of total	Project purpose and value
Ben Anderson Barrage	Replace shutters and rail	1229	45%	Replacement of end-of-life shutters, rail and steelwork items. This is a multi-year project aimed at renewing key items and improving reliability and maintenance requirements.
Fred Haigh Dam	Continuation of studies to validate DIP assumptions and inform ALARP positioning	865	31%	Studies included a hydrology review, hydraulics review, consequences review to validate DIP assumptions.
2024-25 total		**2094**	**76%**	

Table 7 contains major projects for Gin Gin Main Channel and Monduran Pump Station representing 73 per cent of total project spend.

Table 7 Major annuity-funded projects delivered for Gin Gin Main Channel and Monduran Pump Station in 2024-25

Facility	Activity description	Actual $'000	Actual % of total	Project purpose and value
Gin Gin Main Channel	Refurbish – fencing, gates and grids based on known asset condition and age (Stage 3).	57	33%	Replacement and/or refurbishment of safety, security and boundary fencing.
Gin Gin Main Channel	Study investigate channel bank stability.	27	16%	Investigation into the channel bank stability adjacent to Gin Gin Main Channel to determine if future work is required.
Monduran Pump Station	Refurbish – pump drains based on known asset condition and age.	25	15%	Restoration of the pump set drains to ensure reliable functionality of the equipment.
Gin Gin Main Channel	Replace – customer meters based on known asset condition and age.	21	12%	Replacement of meters within the scheme to meet compliance requirements and standards.
2024-25 total		**130**	**75%**	

Annuity-funded projects for 2025-26

The below table sets out Sunwater's currently planned annuity-funded projects for 2025-26 for this scheme. While the immediate program is well defined, estimates become more uncertain further into the planning timeline. Forecasts are likely to change in future S&PPs, reflecting changes in project delivery timing, asset condition and risk updates, outcomes from scheduled asset inspections, and customer feedback.

Table 8 - Annuity-funded projects planned for 2025-26

Year	Facility	Activity description	Forecast $'000
2025-26	Ben Anderson Barrage	Replacement of end-of-life shutters, rail and steelwork items. This is a multi-year project aimed at renewing key items and improving reliability and maintenance requirements.	3991
	Woongarra Balancing Storage	Study dam safety review to comply with the dam safety condition schedule.	565
	Ben Anderson Barrage	Study investigate cathodic protection to understand condition.	316
	Ben Anderson Barrage	Replace gates no. 1 and 2 based on known condition and age.	187
	Fred Haigh Dam	Refurbish access roads based on known condition and age.	138
	Woongarra Balancing Storage	Storage safety improvement program.	130
	Scheme	Replace customer meters based on known asset condition and age.	112
	Kolan River	Replace customer meters based on known asset condition and age.	101
	Fred Haigh Dam	Study scheme inlet bridge inspection to better understand condition and risk.	94
	Fred Haigh Dam	Study asset revaluation to define asset value for insurance purposes and future expenditure profiles.	57
	Bucca Weir	Refurbish trash screens based on known condition and age.	41
	Ben Anderson Barrage	Replace switchboard based on known asset condition and age	36
	Fred Haigh Dam	Study comprehensive inspections to meet asset management, condition, and risk standards.	11
	Ned Churchward Weir	Study investigate water pressure levels to understand system performance.	10
	Other projects	Two projects originally included in the plan have since been removed. The associated budget has been reassigned to other priority work areas to better reflect current needs.	16
	2025-26 total		5806

Gin Gin Main Channel and Monduran Pump Station annuity-funded projects for 2025-26

The below table sets out Sunwater's currently planned Gin Gin Main Channel and Monduran Pump Station annuity-funded projects for 2025-26. Customers in the Bundaberg Bulk Water Service Contract contribute towards five per cent of these costs. While the immediate program is well defined, estimates become more uncertain further into the planning timeline. Forecasts are likely to change in future S&PPs, reflecting changes in project delivery timing, asset condition and risk updates, outcomes from scheduled asset inspections, and customer feedback.

Table 9 - Forecast annuity-funded projects for Gin Gin Main Channel and Monduran Pump Station for 2025-26

Year	Facility	Activity description	Total forecast project costs $'000	Bulk water share of forecast project costs $'000
2025-26	Gin Gin Distribution	Refurbish fencing, gates and grids based on known asset condition and age	56	3
	Gin Gin Distribution	Replace customer meters based on known asset condition and age.	54	3
	Gin Gin Distribution	Refurbish concrete lining based on known age and condition.	52	3
	Monduran Pump Station	Refurbish pump unit no. 4 based on known asset condition and age.	44	2
	Monduran Pump Station	Refurbish pump unit no. 4 discharge valves based on known asset condition and age.	30	2
	Monduran Pump Station	Refurbish pump unit no. 4 suction valves based on known asset condition and age.	30	2
	Monduran Pump Station	Replace supervisory control and data acquisition (SCADA) computer system and lighting based on known asset condition and age.	13	1
	2025-26 total		**280**	**16**

Table 10 and Table 11 compares Sunwater's annuity-funded expenditure and roll-forward against QCA allowances. Variances shown do not affect prices during the current price path but indicate potential impacts on future pricing. Directional arrows and colour coding highlight whether these variances are assessed as favourable (green) or unfavourable (red) for customers for the next price path period.

Table 10 - Annuity and non-annuity funded expenditure and roll-forward[1]

Annuity-funded expenditure (and roll-forward)										
		2024-25 actuals $'000					**2025-26 forecast $'000**			
		QCA[2]		**Sunwater**	**Δ to QCA**		**QCA[3]**		**Sunwater**	**Δ to QCA**	
Opening balance	*O*	(16,477.7)	→	(16,063.7)	-2.5%	◆▶	(16,456.1)	→	(17,005.6)	3.3%	◆▶
Annuity-funded expenditure	***E***	**(1773.2)**	→	**(2754.8)**	**55.4%**	▲	(1897.7)	→	(5805.6)	205.9%	▲
Annuity revenue[4]	*R*	2515.3	→	2515.3	0.0%	◆▶	1,967.5	→	1967.5	0.0%	◆▶
Interest	*I*	(720.4)	→	(702.3)	-2.5%	◆▶	(1096.1)	→	(1132.7)	3.3%	◆▶
Closing balance	*C*	(16,456.1)	→	(17,005.6)	3.3%	◆▶	(17,495.7)	→	(21,976.4)	25.6%	▲
C = (O + E + R + I)											
Other expenditure (not part of prices)											
Dam Improvement Program		-		0.0	-		-		0.0	-	
Recreational facility projects[1]		-		0.0	-		-		0.0	-	
Metered offtakes and dividend reinvestment		-		0.0	-		-		0.0	-	

▲	◆▶	▼	Green	Red
Above the QCA target	In line with the QCA target <5%	Below the QCA target	Favourable impact on future prices	Unfavourable impact on future prices

1. *Forecast annuity-funded costs from 2020-21 exclude recreational facility projects.*
2. *Reflects QCA's 2020–2024 irrigation price investigation final recommendations, escalated by 2.24 per cent, the inflation forecast set by QCA in 2020.*
3. *Reflects QCA's 2025-2029 irrigation price investigation final recommendations.*
4. *The annuity contribution is included in the prices paid by bulk water and distribution customers. The annuity contribution for 2024-25 is based on QCA's irrigation price investigation 2020–2024 final recommendations, escalated by 2.24 per cent, the inflation rate set by QCA in 2020. For 2025-26 the annuity contribution is based on QCA's irrigation price investigation 2025-2029 final recommendations.*

Annuity balance—Gin Gin Main Channel and Monduran Pump Station

The Gin Gin Main Channel and Monduran Pump Station, which form part of the Bundaberg distribution system, perform a bulk water function under the water planning framework. In recognition of this, a share of the Gin Gin Main Channel and Monduran Pump Station annuity-funded costs is transferred from the Bundaberg Distribution Service Contract to the Bundaberg Bulk Water Service Contract. These costs are recovered in customers' bulk water prices via the annuity contribution.

Table 11 - Gin Gin Main Channel and Monduran Pump Station annuity balance

Annuity funded expenditure (and roll forward)

		2024-25 actuals $'000					2025-26 forecast $'000				
		QCA		Sunwater	Δ to QCA		QCA		Sunwater	Δ to QCA	
Opening balance	*O*	(336.5)	→	(1548.3)	-360.1%	▲	(143.8)	→	(1493.8)	-938.9%	▲
Annuity funded expenditure	***E***	**(88.6)**	→	(173.9)	96.3%	▲	(253.5)	→	(280.0)	10.4%	▼
Annuity revenue[1]	*R*	296.1	→	296.1	0.0%	◆▶	265.9	→	265.9	0.0%	◆▶
Interest	*I*	(14.7)	→	(67.7)	-360.1%	▲	(9.6)	→	(99.5)	-938.9%	▲
Closing balance	*C*	(143.8)	→	(1493.8)	-938.9%	▲	(141.0)	→	(1607.3)	-1040.3%	▲
C = (O + E + R + I)											

▲	◆▶	▼	Green	Red
Above the QCA target	In line with the QCA target <5%	Below the QCA target	Favourable impact on future prices	Unfavourable impact on future prices

1. *The annuity contribution is included in the prices paid by bulk water and distribution customers. The annuity contribution for 2024-25 is based on QCA's irrigation price investigation 2020–2024 final recommendations, escalated by 2.24 per cent, the inflation rate set by QCA in 2020. For 2025-26 the annuity contribution is based on QCA's irrigation price investigation 2025-2029 final recommendations.*
2. *In its 2025-2029 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/.*