Final Service and Performance Plan 2025

Bundaberg Distribution Service Contract

12 February 2026

As part of our 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 allowance earlier.

As part of this review, we will also look at 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.

Contents

At a glance 3
Introduction 5
Delivering services to our customers 6
Cost of delivering services—Operating expenditure 9
Electricity in focus 11
Cost of delivering services—Renewals annuity and non-annuity funded expenditure 13
Annuity-funded expenditure and project summary for 2024-25 14
Annuity-funded projects for 2025-26 17
Gin Gin Main Channel and Monduran Pump Station annuity-funded projects for 2025-26 . 19
Annuity balance—Gin Gin Main Channel and Monduran Pump Station 21

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. In addition to agricultural supply, water is also provided to the Bundaberg Regional Council for treatment and distribution for urban use.

Our irrigation charges

Table 1 – Scheme irrigation charges for 2025-26

Charges by tariff group 2025-26

Bundaberg Distribution		Irrigation charge[1]		Cost-reflective charge[2]		Δ to cost-reflective	
Fixed charges							
Medium Priority	Part C	59.02	$/ML	89.37	$/ML	30.35	$/ML
Variable charge							
Usage	Part D	52.82	$/ML	52.82	$/ML	0.00	$/ML

1. *Prices exclude the Queensland Government's 15 per cent discount for irrigation customers. Futher 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 2025-2029 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**	14,661.3	16,121.3	10.0%	△
Forecast	**2025-26**	15,239.2	15,925.5	4.5%	◆▶

Expenditure funded by the annuity

		QCA $'000	Sunwater $'000	Δ to QCA	
Actual	**2024-25**	9,102.7	9,956.1	9.4%	△
Forecast	**2025-26**	3,889.0	4,179.7	7.5%	△
Actual + Forecast	**∑ Price path**	11,048.3	11,339.1	2.6%	◆▶

▲	△	◆▶	▽	▼
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	102,697	ML	81,645	ML	
2024-25	91,397	ML	77,852	ML	
	-11.0%	▼	-4.6%	◆▶	*Year-on-year change by group*

▲	◆▶	▼
5%	0%	-5%

Service targets	Exceedances	Notes
2023-24	14	Unplanned shutdowns (duration) and maximum number of interruptions were not met.
2024-25	29	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 Distribution 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

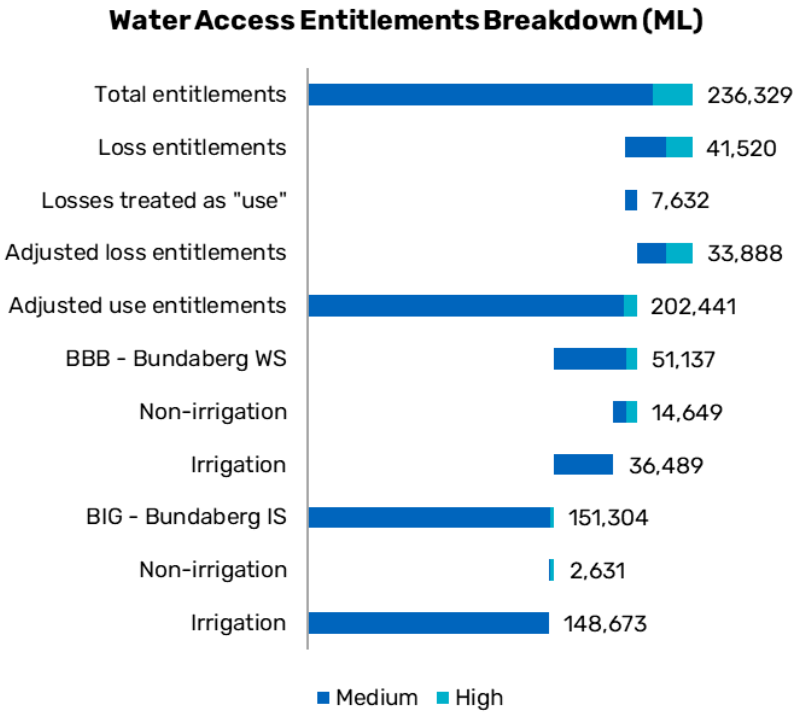
All financial figures reported in this document are in nominal dollars i.e. dollars of the day. Figures may not sum due to rounding.

Delivering services to our customers

Entitlements

The water allocations[1,2] for each customer segment are shown below.

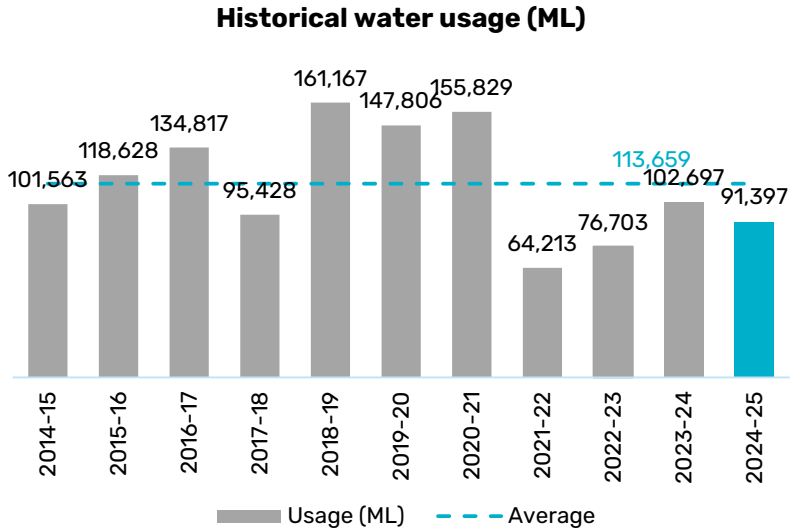
Figure 1 Water access entitlements (as at 30 June 2025)



Historical water usage

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

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



- Usage in 2024-25 was below the level of 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.

[1] *Includes Burnett Water Pty Ltd (BWPL) (Paradise Dam)*

[2] *Includes BWPL irrigation customers.*

Service targets

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

In 2024-25, target exceedances occurred due to aging 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		
			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	2	0	2
Maximum number of interruptions[2]	Planned or unplanned interruptions per water year	10	21	14	27

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 in excess of the target.*

Sunwater has also customer interactions service targets. Our performance against these targets in 2024-25 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 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 *Water Supply (Safety and Reliability) Act 2008*.	6160 ML
Woongarra Balancing Storage	Earthen embankment constructed across two small watercourses. Classified as a referable dam under the *Water Supply (Safety and Reliability) Act 2008*.	1225 ML
Gooburrum Balancing Storage	Earth embankment across a shallow depression.	1040 ML
Bullyard Creek Balancing Storage	Earth embankment.	453 ML
Monduran pump station	Four pumps. Also performs a bulk water function.	1100 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
Gooburrum 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 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 Distribution.

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

Our performance in 2024-25

In 2024-25, operating costs were 10 per cent higher than the QCA's recommended cost target. This expenditure was anticipated in the 2025 Service and Performance Plan and reflects costs above the QCA allowance. Our expenditure exceeded the target due to increased requirements for preventative maintenance and compliance-related activities, as well as the rising cost of herbicides, particularly acrolein (magnicide H).

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

Outlook for 2025-26

Overall expenses are broadly in line with the QCA allowance.

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 current 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[2]	Sunwater	Δ to QCA		QCA[3]	Sunwater	Δ to QCA	
Insurance	1176.5	1173.1	-0.3%	◆▶	1210.6	1283.2	6.0%	△
Electricity	5240.3	4893.8	-6.6%	▼	5435.8	5580.6	2.7%	◆▶
Operations & maintenance	4082.2	5157.6	26.3%	▲	4207.6	4769.8	13.4%	▲
Support costs	4162.2	4896.8	17.6%	▲	4385.3	4291.9	-2.1%	◆▶
Less costs transferred for Gin Gin Main Channel and Monduran Pump Station[4]	(45.0)	(49.5)	10.0%	△	(46.8)	(48.9)	4.5%	◆▶
Total opex[1]	14,616.3	16,071.8	10.0%	△	15,192.4	15,876.6	4.5%	◆▶

▲	△	◆▶	▽	▼
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. *QCA allowance is based on the 2023-24 allowance, escalated by 2.24 per cent, the inflation rate set by QCA in its 2020-2024 irrigation price investigation.*
3. *QCA allowance is based on the 2025-2029 irrigation price investigation final recommendations.*
4. *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 2020–2024 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 continues to proactively manage the cost of electricity. In 2024-25, Sunwater undertook the following energy improvement initiatives in Bundaberg Distribution Service Contract:

- annual tariff optimisation analysis resulted in no change to the tariff arrangements
- the notified pricing published by QCA for 2024-25 estimated an electricity cost decrease of one per cent for small business customers and increases between 1.7and 3.8 per cent[3] for large business customers.

Outlook for 2025-26

In 2025-26, Sunwater remains focused on managing electricity costs within this service contract. Key initiatives include:

- An annual optimisation analysis of sites on regulated retail tariffs led to an adjustment and reduction in electricity costs from 48.68c/kWh to 44.02c/kWh. Had the pump stations remained on the previous tariff, the average cost would have been 49.33c/kWh
- QCA's notified pricing for 2025-26 indicates electricity cost increases of up to 3.2 per cent for small business customers and up to 2.8 per cent[4] for large business customers
- ongoing monitoring of asset energy operational performance.

Table 6 - Electricity tariff arrangements[1,2,3]

Pump station	2025-26
Abbotsford	T22E
Bucca	T22E
Bullyard	Contestable
Dinner Hill	Contestable
Don Beattie	Contestable
Gooburrum	Contestable
Monduran	Contestable
McIllwraith	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. *At the time of this report, the tariff analysis for the contestable market is in progress.*
3. *Energy rates have been negotiated as part of the electricity supply contract and are commercial-in-confidence.*

[3] *Regulated retail electricity prices in regional Queensland for 2024–25 (qca.org.au)*

[4] *Regulated retail electricity prices 2025-26 (qca.org.au)*

Electricity metrics

Table 7 sets out electricity usage and efficiency-related information for Bundaberg Distribution.

Table 7 - Electricity usage and efficiency-related metrics

Metric	2021-22	2022-23	2023-24	2024-25
Electricity usage (kWh) – pump stations	13,268,756	17,063,539	20,538,369	18,954,528
Water usage (ML)[1]	64,210	62,737	102,697	91,397
Volume pumped	95,359	97,766	127,021	126,209
Actual electricity cost ($)[2]	4,026,2192	4,410,794	4,836,737	4,889,930
Actual electricity cost per ML ($/ML delivered)	62.70	70.31	47.10	53.50
Average pump energy indicator[3] (kWh/ML/per metre of head)	3.61	3.81	4.03	3.71

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.*

To effectively monitor pump efficiency, a granular level of both energy and water data is required. With the installation of interval meters in 2020 to capture energy consumption at a granular level, Sunwater is now able to more frequently monitor our performance against this metric.

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 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 8 provides a description of the major annuity-funded projects undertaken in 2024-25, together with the project's purpose and the value it delivers. Table 9 contains the same information for Gin Gin Main Channel and Monduran Pump Station assets.

Outlook

Table 10 outlines the major annuity-funded projects planned for 2025-26, excluding those for the Gin Gin Main Channel and Monduran Pump Station, which are detailed separately in Table 11.

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 12 and Table 13 below.

QCA and Sunwater closing balances differ due to differences in the expenditure profile allowed by QCA in its 2025-29 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 3 Comparison of actual annuity expenditure vs QCA allowance for 2024-25

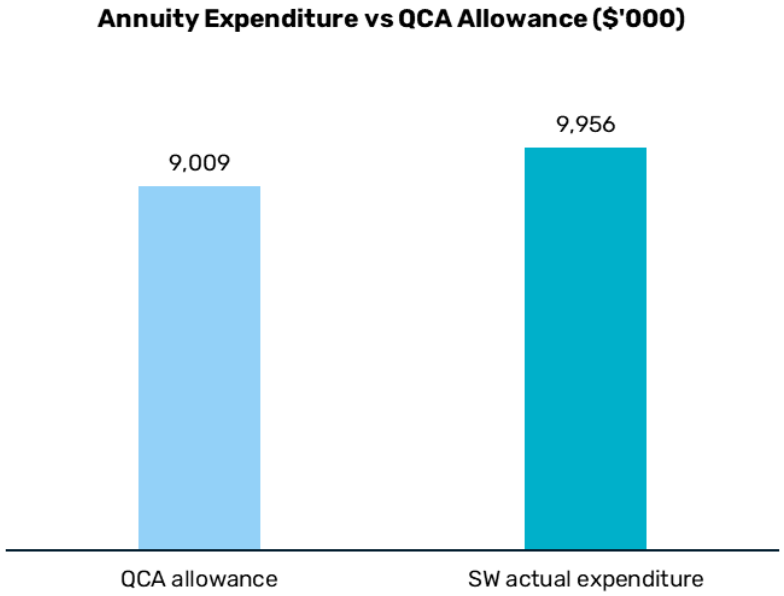


Figure 4 presents the same comparison specifically for Gin Gin Main Channel and Monduran Pump Station. For further details on the top projects undertaken by spend, refer to Table 8 and Table 9.

Figure 4 Comparison of actual annuity expenditure vs QCA allowance Gin Gin Main Channel and Monduran Pump Station in 2024-25

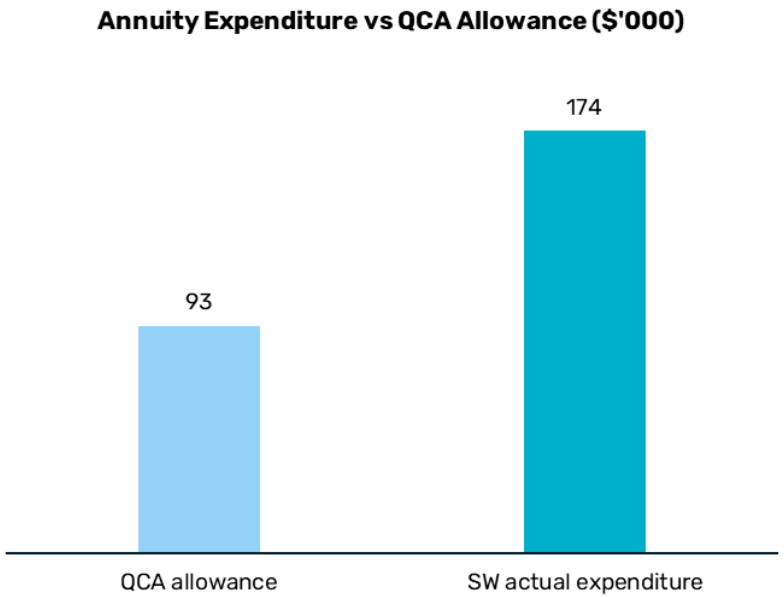


Table 8 lists the major annuity-funded projects delivered in Bundaberg Distribution (excluding Gin Gin Main Channel and Monduran Pump Station) in 2024-25, representing the top 71 per cent of total project spend, and highlights their associated costs and significance.

Table 8 – Major annuity-funded projects undertaken in 2024-25

Facility	Activity description	Actual $'000	Actual % of total	Project purpose and value
Quart Pot Pump Station	Replace common controls based on known asset condition and age (stage 2).	1409	14%	Interim control system upgrades were undertaken to replace obsolete equipment and reduce reliability risks. Planning and design work also commenced to support future electrical upgrades, including alignment with ERGON requirements for significant changes to the pump station's electrical installation.
Woongarra Pump Station	Refurbish rising main based on known asset condition and age.	1116	11%	To address leaks in the original reinforced concrete rising mains, internal structural liners were installed by a specialist contractor on the remaining three mains. This successfully sealed the pipe sections preventing bank saturation and reducing the risk of rising main failure.
Tirroan Pump Station	Replace LV switchboard and electrical cables based on condition and age.	970	10%	Renewal of the electrical switchboards, cabling and control system for the site to ensure ongoing reliability of customer water supply.
Bucca Pump Station	Replace control system based on known asset condition and age.	831	8%	Renewal of the electrical switchboards, cabling and control system for the site to ensure ongoing reliability of customer water supply.
Bundaberg Distribution	Arc Flash Incident Energy Reduction (AFIER).	829	8%	Arc flash assessments of our electrical assets and implementation of low-cost mitigation measures so that our electrical assets can continue to be safely operated and maintained by our personnel, where possible reducing and/or delaying the need for major upgrades to our electrical assets.
Bullyard Pump Station	Replace LV switchboard and electrical cables based on condition and age.	626	6%	Renewal of the electrical switchboards, cabling and control system for the site to ensure ongoing reliability of customer water supply.
Woongarra Pump Station	Refurbish pump units and motors based on known asset condition and age.	561	6%	Replacement of two end-of-life pump impellor assemblies and refurbishment of the pump unit to restore performance to specifications.
Quart Pot Pump Station	Replace pump unit no. 4 motor based on known asset condition and age.	533	5%	Testing and analysis of the existing high voltage motor revealed significant issues. Further testing of the remaining three motors confirmed the problems were consistent across all units. An options assessment determined that refurbishment was not viable, and full motor replacement will proceed as part of the future electrical upgrade.
Don Beattie Pump Station	Refurbish pump unit no. 2 and motor based on known asset condition and age.	373	4%	OEM refurbishment of motor, pump and discharge to restore performance to specifications.
2024-25 total		4815	73%	

Table 9 contains the major annuity-funded projects for Gin Gin Main Channel and Monduran Pump Station in 2024-25, representing 73 per cent of total project spend. Customers in Bundaberg Distribution contribute towards 95 per cent of these costs.

Table 9 – Gin-Gin Main Channel and Monduran Pump Station major annuity-funded projects for 2024-25

Facility	Activity description	Actual total cost $'000	Distribution share of actual project costs $'000	Project purpose and value
Gin Gin Main Channel	Refurbish fencing, gates and grids based on known asset condition and age.	57	54	Restoration of fencing to maintain security, safety and boundary controls.
Gin Gin Main Channel	Study — investigate channel bank stability.	27	26	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	24	Restoration of the pump set drains to ensure consistent and reliable operation of the equipment.
Gin Gin Main Channel	Replace customer meters based on known asset condition and age.	21	20	Replacement of meters within the scheme to meet compliance requirements and standards.
2024-25 total		130	124	

Annuity-funded projects for 2025-26

The below table sets out Sunwater's currently planned annuity-funded projects for 2025-26 for this scheme (excluding Gin Gin Main Channel and Monduran Pump Station projects, refer to Table 11). 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 10 – Annuity-funded projects planned for 2025-26

Year	Facility	Activity description	Forecast '000
2025-26	Quart Pot Pump Station	Replace electrical upgrade based on known asset condition and age.	721
	Woongarra Pump Station	Refurbish pump based on known asset condition and age.	578
	Isis	Refurbish storage safety, slide gates, fencing and access roads based on known condition and age.	519
	Bullyard Pump Station	Modify discharge pipework to eliminate stress cracking of the pipe joints.	365
	Bingera Distribution	Refurbish siphon screen, guides, surge tank, access roads, and fencing based on known condition and age.	197
	Gooburrum Distribution	Refurbish gates and discharge valves based on known condition and age.	161
	Woongarra Distribution	Refurbish surge tank, gates, fencing and access roads based on known asset condition and age.	149
	Bucca Pump Station	Refurbish or replace suction valves, butterfly valves and screen guides based on known condition and age.	126
	Don Beattie Pump Station	Replace flowmeter, screens and supervisory control and data aquistion (SCADA) software based on known asset condition and age.	110
	Isis Distribution	Replace customer meters based on known asset condition and age.	103
	Farnsfield Distribution	Study options study for pipe replacement.	101
	Woongarra Distribution	Replace customer meters based on known asset condition and age.	97
	Bingera Distribution	Replace customer meters based on known asset condition and age.	70
	Gooburrum Distribution	Replace customer meters based on known asset condition and age.	65
	Walker Street Pump Station	Refurbish butterfly valves and building structure based on known asset condition and age.	59
	Don Beattie Pump Station	Study — options study for lift replacement.	51
	Bingera Main Channel	Refurbish channel lining based on known asset condition and age.	52

Year	Facility	Activity description	Forecast '000
	Don Beattie Pump Station	Refurbish building structure based on known asset condition and age.	30
	Don Beattie Pump Station	Refurbish building structure based on known asset condition and age.	29
	Tirroan Pump Station	Refurbish building structure based on known asset condition and age.	27
	Woongarra Pump Station	Replace supervisory control and data acquisition (SCADA) software.	26
	Abbotsford Distribution	Refurbish access road and fencing based on known condition and age.	25
	Don Beattie Pump Station	Inspect air receiver to understand current condition.	5
	Other projects	A number of 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.	514
	2025-26 total		**4180**

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

The table below sets out Sunwater's currently planned Gin Gin Main Channel and Monduran Pump Station annuity-funded projects for 2025-26. Customers in the Bundaberg Distribution Service Contract contribute towards 95 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 11 – Forecast annuity-funded projects for Gin Gin Main Channel and Monduran Pump Station for 2024-25 and 2025-26

Year	Facility	Activity description	Total forecast project costs $'000	Distribution share of forecast project costs $'000
2025-26	Gin Gin Distribution	Refurbish fencing, gates and grids based on known asset condition and age.	56	53
	Gin Gin Distribution	Replace customer meters based on known asset condition and age.	54	51
	Gin Gin Distribution	Refurbish concrete lining based on known age and condition.	52	50
	Monduran Pump Station	Refurbish pump unit no. 4 based on known asset condition and age.	44	42
	Monduran Pump Station	Refurbish pump unit no. 4 discharge valves based on known asset condition and age.	30	29
	Monduran Pump Station	Refurbish pump unit no. 4 suction valves based on known asset condition and age.	30	29
	Monduran Pump Station	Replace supervisory control and data acquisition (SCADA) computer system and lighting based on known asset condition and age.	13	12
	2025-26 total		**280**	**266**

Table 12 and Table 13 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 12 – Annuity and non-annuity funded expenditure and roll-forward

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*	691.2		365.7	-47.1%	▼	(6567.8)	→	(7760.9)	18.2% ▲
Annuity-funded expenditure	***E***	(9102.7)	–	(9956.1)	9.4%	▲	(3889.0)	→	(4179.7)	7.5% ▲
Annuity revenue[4]	*R*	1813.5	–	1813.5	0.0%	◆▶	2704.3	→	2704.3	0.0% ◆▶
Interest	*I*	30.2	–	16.0	-47.1%	▼	(437.5)	→	(516.9)	18.2% ▲
Closing balance	*C*	(6567.8)	–	(7760.9)	18.2%	▲	(8176.6)	→	(9753.2)	19.3% ▲
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	-
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 13 – Gin Gin Main Channel and Monduran Pump Station annuity balance[2]

Annuity-funded expenditure (and roll-forward)

		2024-25 actuals $'000				2025-26 forecast $'000			
		QCA		Sunwater	Δ to QCA	QCA		Sunwater[2]	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/*
3. *The annuity contribution transferred to Bundaberg bulk water customers in 2024-25 is $14.8k and 13.3k in 2025-26. The annuity cost transfer may differ from our Irrigation Pricing Submission.*