sunwater

Performance Report 2026

Eton Bulk Water Service Contract

21 October 2026

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This Performance Report 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 report relates, and the operations and activities actually undertaken by Sunwater during the relevant periods, may vary materially from the information contained in this report. This report should not be relied upon beyond its purpose as a tool for consultation and you should not rely on the information contained in this report 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

Most of the 336 customers in this scheme are irrigators of sugar cane.

Our irrigation charges

Table 1 – Water access entitlements[1]

$ Charges by tariff group 2026-27				
Eton Bulk		Irrigation charge[2]	Cost-reflective charge[3]	Δ to cost-reflective
Fixed charges				
High Priority LMA	Part A	122.78 $/ML	122.78 $/ML	0.00 $/ML
Medium Priority/LMA	Part A	33.94 $/ML	33.94 $/ML	0.00 $/ML
Variable charge				
High & Medium priority	Part B	5.75 $/ML	5.75 $/ML	0.00 $/ML
Risk priority	Part B	39.69 $/ML	39.69 $/ML	0.00 $/ML

1. *This table includes bulk water charges only. Distribution charges are set by Eton Irrigation Co-operative Ltd.*
2. *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.*
3. *The cost-reflective prices are set by 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.*

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**	1,888.6	2,338.4	23.8%

Expenditure funded by the annuity		QCA allowance $'000	Sunwater $'000	Variance to allowance %
Actual	**2025-26**	1,614.8	1,170.8	-27.5%

Water delivered	Total	To irrigators
2024-25	12,554 ML	12,486 ML
2025-26	16,102 ML	16,016 ML
Year-on-year change by group	28.3%	28.3%

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

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

Introduction

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

The purpose of this year's report for the Eton Water Service Contract 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.

Sunwater welcomes and encourages your feedback on this report. To have your say, please contact Sunwater via email or post.

Email: sppfeedback@sunwater.com.au

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

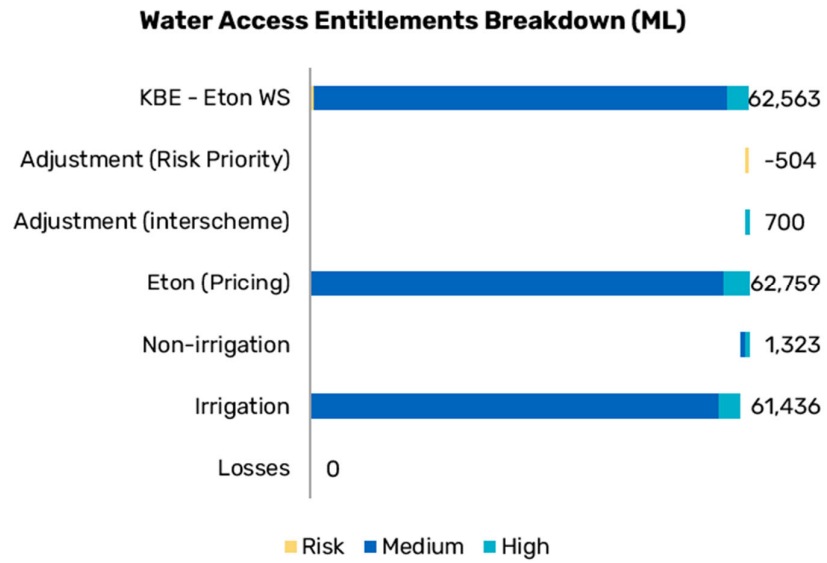
All financial figures reported in this document are in nominal dollars i.e. dollars of the day. Figures may not sum due to rounding.

Delivering services to our customers

Entitlements

Water allocations[2] for each customer segment are shown below.

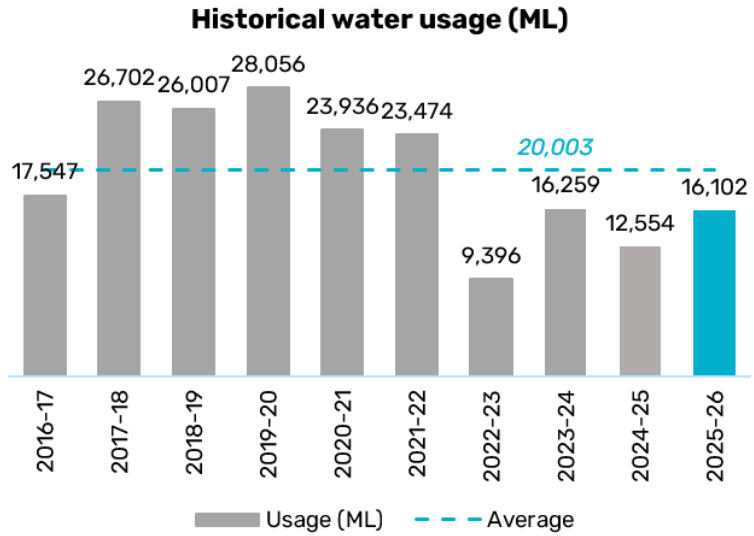
Figure 1 - Water access entitlements (as at 30 June 2026)



Historical water usage

The chart below shows annual water usage for the past 10 years.

Figure 2 - Historical water usage for the past 10 years



- Usage in 2025-26 was lower than the 10-year average of 20,003 ML.
- Part B prices for the current period were set using a 20-year average of 22,076 ML.

[2] *Includes distribution loss allocations held by Eton Irrigation Co-operative Ltd.*

Service targets

Sunwater and its customers have agreed water supply arrangements and service targets for Eton. Table 2 sets out recent performance against selected service targets for this scheme. In 2025-26, all service targets were achieved.

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 five days	3 weeks	0	0	0
	For shutdowns planned to be less than three days	2 days	0	0	0
Unplanned shutdowns – duration[1]	Unplanned shutdowns during peak demand period	72 hours	0	0	0
	Unplanned shutdowns outside peak demand period	5 working days			
Maximum number of interruptions[2]	Planned or unplanned interruptions per water year	10	0	0	0

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

Sunwater also has customer interactions service targets. Performance in 2025-26 against these targets 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 (such as property transfers and temporary transfers) completed within 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 Eton.

Table 4 – Key infrastructure

Asset	Description	Capacity
Kinchant Dam	Earth and rock fill embankment with an uncontrolled concrete ogee crest spillway. Classified as a referable dam under the *Water Supply (Safety and Reliability) Act 2008*.	62,800 ML
Mirani Diversion pump stations 1 and 3	Seven submersible pumps.	910 ML/day
Mirani Diversion Channel	Earthen channel from Mirani pump stations to Kinchant Dam.	860 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 Eton.

Eton is one of Sunwater's high electricity consuming schemes, this category is discussed on the following page.

Our performance in 2025-26

During 2025-26, increased maintenance and operational activities were undertaken across the scheme. Key activities included:

- vegetation management works following the wet season
- repairs to ageing communications and control equipment following wet season failures
- replacement of equipment at Mirani Water Tower Repeater Station.

Additional works included repairs to slumping and de-weeding activities along the Mirani Diversion Channel, as well as the installation of camera systems and updated signage to reduce trespass and vandalism risks and improve safety for staff and the public.

Table 5 – Operating expenditure

Operations and maintenance costs by sub-category 2025-26 actuals ($'000)

	QCA allowance[2]	Actuals	Variance to allowance %
Insurance	279.6	248.5	-11.1%
Electricity	373.0	280.5	-24.8%
Operations & maintenance	613.3	1,021.8	66.6%
Support costs	622.7	787.7	26.5%
Total opex[1]	1,888.6	2,338.4	23.8%

1. *Reflects QCA's 2020–24 irrigation price investigation final recommendations. Excludes recreational facility costs.*
2. *QCA allowance is based on the 2025-29 irrigation price investigation final recommendations.*

Electricity in focus

Sunwater continued to proactively manage electricity costs in 2025-26. An annual tariff optimisation review identified a more suitable tariff arrangement, increasing average electricity costs slightly from 35.51 c/kWh to 35.75 c/kWh. However, had the site remained on its previous tariff arrangement, average electricity costs would have increased further to 36.34 c/kWh. Sunwater also completed an annual solar assessment and 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 Eton.

Table 6 – Electricity usage and efficiency-related metrics

Metric	2022-23	2023-24	2024-25	2025-26
Electricity usage (kWh)	10,544	1,138,431	346,557	1,015,379
Volume pumped (ML)	177	26,284	5,708	11,631
Actual electricity cost per ML ($/ML pumped)	921.48	12.02	17.65	24.11
Average pump energy indicator (kWh/ML/metre of head)	4.96	3.61	5.06	4.76

The service contract includes large submersible pumps, for which no industry benchmark is currently available for the pump energy performance indicator. The closest comparable assets are sewage pump stations, which typically operate within a range of 3.7 to 5.5 kWh/ML/m, depending on pump station size, configuration and operating conditions.

2026-27 tariff review outcome

Sunwater completed its annual electricity tariff review using historical interval meter data for Mirani Weir 1 Pump Station. Following the withdrawal of the existing tariff, a revised tariff arrangement was implemented. The new tariff is expected to reduce average electricity costs from 35.84 c/kWh to 34.34 c/kWh in 2026-27 while maintaining alignment with the station's operating profile.

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
Mirani Pump Station 1	T44A
Mirani Pump Station 3	Contestable

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

Focus areas for 2026-27

In 2026-27, Sunwater will continue to:

- monitor pump station energy performance and efficiency
- identify opportunities to improve operational energy efficiency
- undertake annual electricity tariff reviews to ensure tariff arrangements remain fit for purpose
- assess renewable energy opportunities where they are expected to provide value for customers
- monitor electricity market, regulatory and network pricing changes that may influence 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 9 summarises the major annuity-funded projects delivered in 2025-26 and outlines the value these projects provide to customers.

Table 8 compares Sunwater's actual annuity position against the allowance 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 8 Annuity and non-annuity funded expenditure and annuity balance

Annuity-funded expenditure and annuity balance 2025-26 actuals ($'000)				
	QCA allowance[2]	**Actuals**	**Variance to allowance %**	**Variance assessment**
Opening balance	5.9	(2,375.0)	-40675.6%	-
Annuity funded expenditure	**(1,614.8)**	**(1,170.8)**	**-27.5%**	Below allowance
Annuity revenue[3]	688.8	688.8	0.0%	-
Interest	0.4	(158.2)	-40675.6%	-
Closing balance	(919.7)	(3,015.2)	227.8%	Above allowance
Other expenditure (not part of prices)				
Dam improvement program	-	0.0	-	-
Recreational facility projects[1]	-	0.0	-	-
Dividend reinvestment	-	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 collected through customer prices and is based on QCA's 2025-29 price review determinations.*

The table below outlines the major annuity-funded projects delivered for Eton in 2025-26, representing the top 75 per cent of total project spend, and highlights their associated costs and significance.

Table 9 – Major annuity-funded projects delivered in 2025-26

Facility	Activity description	Actual $'000	Actual % of total spend	Project purpose and value
Mirani Pump Station 3	Arc Flash Incident Energy Reduction (AFIER).	211	18%	Delivered planning, design and project management activities to support the 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.
Kinchant Dam	Comprehensive risk assessment update.	149	13%	Progressed the Comprehensive Risk Assessment update for Kinchant Dam through a series of technical investigations, including hydrologic hazard assessment, consequence assessment and internal erosion assessment. The work improves understanding of dam safety risks and supports ongoing dam safety management, risk-informed decision-making and future investment planning.
Kinchant Dam	Inlet tower electrical renewal design.	128	11%	Completed design and scoping activities for the replacement of the inlet tower power supply and switchboard. The project was initiated following asset condition assessments that identified ageing electrical infrastructure and will support the future renewal of critical systems required for reliable dam operations.
Mirani Pump Station 3	Pump refurbishment.	117	10%	Refurbishments of Pump 1 and Pump 2 based on condition and age. The works support asset reliability and the ongoing operation of the pump station and delivery of water services.
Mirani Pump Station 3	Refurbish — submersible pumps 2 and 3 based on known asset condition and age.	99	8%	Refurbishment of Pump 2 and Pump 3 based on condition and age to maintain pumping reliability, reduce the risk of unplanned failures and support ongoing service delivery.
Kinchant Dam	Inlet tower safety buoy line installation.	96	8%	Installation of a new safety buoy line at the inlet tower to improve public safety, maintain compliance with marine safety requirements and support safe access arrangements following recent access improvements.

Facility	Activity description	Actual $'000	Actual % of total spend	Project purpose and value
Kinchant Dam	Inlet tower access upgrade.	86	7%	Upgrades to access infrastructure at the Kinchant Dam inlet tower to improve safety, maintain safe access for operational activities and support ongoing asset reliability.
2025-26 total		**886**	**75%**	