



# Final Service and Performance Plan 2023

## Lower Mary River Distribution Service Contract

10 January 2024

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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 (including in tort) that is in any way connected with the use of this plan or the information contained within it.


# At a glance

## Our customers

Cropping in this scheme is undergoing significant transition to macadamias from sugar cane. Other crop types include cotton and bean crops.

## Our irrigation charges

Table 1 - Irrigation charges for 2023-24<sup>1</sup>


 Charges by tariff group 2023-24							
Lower Mary Channel		Irrigation charge <sup>2</sup>		Cost-reflective charge <sup>3</sup>		Δ to cost reflective	
Lower Mary	Part C	49.10	\$/ML	59.07	\$/ML	-9.97	\$/ML
Channel	Part D	59.54	\$/ML	71.62	\$/ML	-12.08	\$/ML


- This table includes distribution charges only. For bulk water charges, please refer to the Bulk Water Service Contract S&PP.*
- Includes the Queensland Government's 15 per cent discount for irrigation customers. Refer to [www.rdmw.qld.gov.au](http://www.rdmw.qld.gov.au) for more information.*
- Is the cost-reflective price determined by the Queensland Competition Authority (QCA) in its 2020–2024 irrigation price investigation. Costs reflect 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/](http://www.sunwater.com.au/customer/fees-and-charges/)


## Our performance

 Operations and maintenance costs				
		QCA \$'000	Sunwater \$'000	Δ to QCA
Actual	2022-23	\$1,258.5	\$1,779.4	41.4% ▲
Forecast	2023-24	\$1,283.9	\$1,745.5	36.0% ▲


 Operations and maintenance cost transfer from Owanilla pump station and main channel to Tinana Barrage and Teddington Weir				
		QCA \$'000	Sunwater \$'000	Δ to QCA
Actual	2022-23	\$(187.29)	\$(233.83)	24.9% ▲
Forecast	2023-24	\$(190.74)	\$(242.49)	27.1% ▲

 Expenditure funded by the annuity				
		QCA \$'000	Sunwater \$'000	Δ to QCA
Actual	2022-23	\$942.5	\$1,687.8	79.1% ▲
Forecast	2023-24	\$(93.2)	\$3,598.2	-3958.8% ▼
Actual + Forecast	Σ Price path	\$1,619.7	\$7,889.0	387.1% ▲

▲	△	◄►	▽	▼
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		YoY change by group
2021-22	1,298	ML	909	ML	
2022-23	2,653	ML	2,161	ML	
	104.3%	▲	137.8%	▲	

▲	◄►	▼
5%	0%	-5%

 Service targets	Exceedances	Notes
2021-22	2	Unplanned shutdowns (duration) and maximum number of interruptions were not met.
2022-23	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 2022-23.

The purpose of this year’s S&PP for Lower Mary River Distribution is to:

- examine Sunwater’s performance in 2022-23 against cost and service targets
- present to customers Sunwater’s projected costs<sup>1</sup> for 2023-24 and 2024-25
- consult with our customers on forecast operating and annuity-funded costs for 2023-24 and the forward program of works.

In addition to this S&PP, Sunwater submitted its irrigation pricing proposal to the Queensland Competition Authority (QCA) on 30 November 2023 which explains the types of costs we incur in delivering water to our customers and how those costs are allocated to service contracts. The pricing proposal and associated customer material is available at: [www.sunwater.com.au/projects/price-path/](http://www.sunwater.com.au/projects/price-path/).

Input from customers is a valuable part of Sunwater’s planning process and ensures that we invest in areas which 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.

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<sup>1</sup> All financial figures reported in this document are in nominal dollars, i.e. dollars of the day. Figures may not sum due to rounding.

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](mailto:sppfeedback@sunwater.com.au)

Post: S&PP Feedback

PO Box 15536

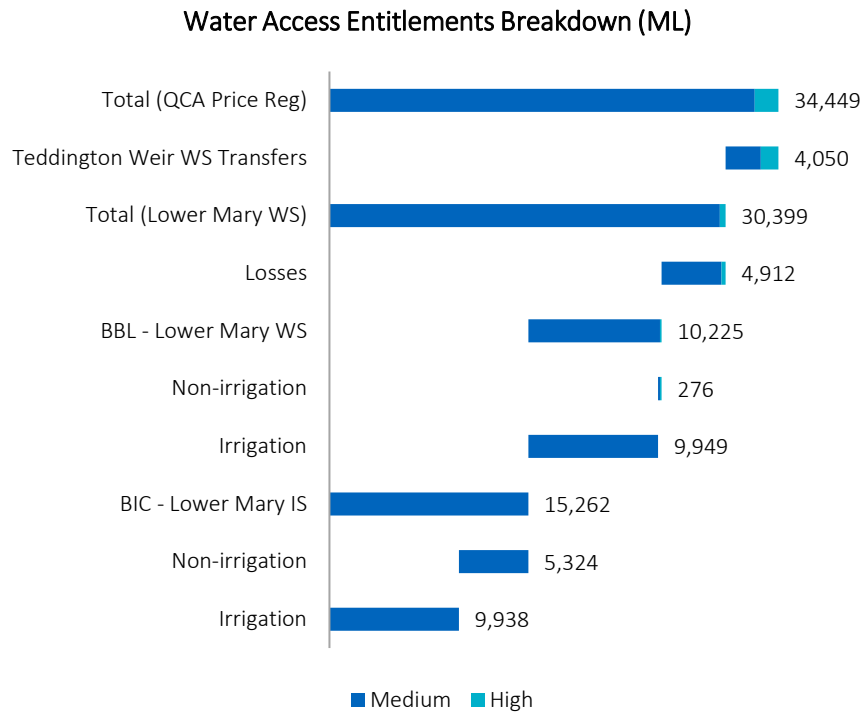
City East Qld 4002

# Delivering services to our customers

## Entitlements

The water allocations for each customer segment are shown below.

Figure 1 - Water access entitlements (as of 30 June 2023)<sup>1</sup>

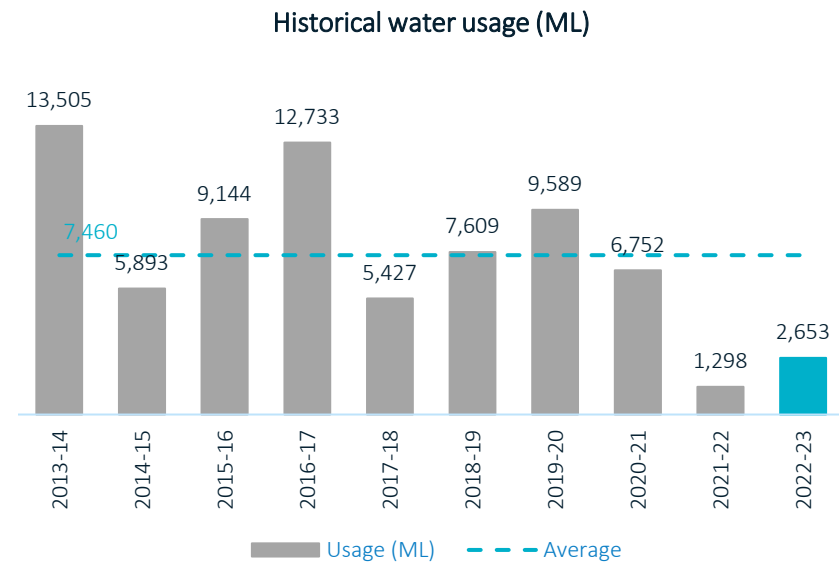


1. Includes Bulk water entitlements.

## 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 includes distribution losses



- Usage in 2022-23 was below the level of the 10-year average of 7,460 ML.
- Part D prices for the current period were set using a 20-year average of 6,154 ML.

## Service targets

Sunwater and customers have agreed Water Supply Arrangements and Service Targets for Lower Mary River Distribution. Table 2 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		
			2020-21	2021-22	2022-23
Planned shutdowns – notification	For shutdowns planned to exceed 2 weeks	8 weeks	0	0	0
	For shutdowns planned to exceed 3 days	2 weeks	0	0	0
	For shutdowns planned to be less than 3 days	5 days	0	0	0
Unplanned shutdowns – duration	Unplanned shutdowns will be fixed so that at least partial supply can be resumed	48 hours	2	2	0
Maximum number of interruptions <sup>1</sup>	Planned or unplanned interruptions per water year	6	0	0	0

1. This is the total number of distribution customers in the scheme that have been interrupted in excess of the target.

In addition, Sunwater has company-wide customer interactions service targets. Our performance in 2022-23 against these service targets is shown in Table 3.

Table 3 - Customer interactions service targets and performance

Service target	Target	2022-23
Telephone answering <sup>1</sup>	80.00%	92.50%
Requests actioned within Service Level Agreement (SLA) timeframes <sup>2</sup>	> 95.00%	99.47%

- This target measures the percentage of 13 15 89 calls that are answered within 60 seconds.
- This target measures the percentage of email or workflow requests (such as property transfers and temporary transfers) to the Customer Support team that are completed within the agreed SLAs. The SLA timeframes range between two and 10 business days, depending on the request.

## Key infrastructure

Table 4 lists the key infrastructure used to deliver distribution services to our customers in Lower Mary River.

Table 4 - Key infrastructure

Asset	Description	Capacity (ML/day)
Owanyilla pump station	Two pumps.	243
Walker Point pump station	Two submersible pumps.	75
Copenhagen Bend pump station	Two submersible pumps.	65
Main Road pump station	Two pumps.	62

## Cost of delivering services—Operating expenditure

Operating expenditure includes funds for: operations activities, (i.e., operations, electricity, and insurance); preventative maintenance; and corrective maintenance.

Table 5 sets out actual and forecast operating expenditure for Lower Mary River Distribution.

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

### Our performance in 2022-23

In 2022-23, total operating costs were higher than the QCA's recommended cost target. Further information is provided in the pricing submission proposal and associated scheme summaries.

### Outlook for 2023-24

Lower Mary River Distribution Service Contract's total operations budget in 2023-24 is higher than the 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 2023-24 is on performing operation and maintenance activities to a standard that ensures the scheme's reliability and functionality for delivering water to customers within the agreed service standards, while also meeting current asset maintenance standards and compliance obligations.

In addition, upgrading meter offtakes for improved delivery efficiencies and refreshing scheme furniture such as marker posts, signage, and surrounds.

Sunwater will also complete a lighting upgrade at Owanyilla pump station to replace failed lights and improve energy consumption.



Table 5 - Operating expenditure<sup>1</sup>

	Operations and maintenance costs - by sub-category							
	2022-23 actuals \$'000				2023-24 forecast \$'000			
	QCA	Sunwater <sup>4</sup>	Δ to QCA		QCA	Sunwater <sup>4</sup>	Δ to QCA	
Insurance	\$74.0	\$98.3	32.8%	▲	\$75.7	\$118.5	56.4%	▲
Electricity	\$410.8	\$252.7	-38.5%	▼	\$415.7	\$386.8	-7.0%	▼
Operations & maintenance	\$367.0	\$662.5	80.5%	▲	\$376.0	\$447.1	18.9%	▲
Support costs	\$406.6	\$766.0	88.4%	▲	\$416.4	\$793.2	90.5%	▲
Less costs transferred to Lower Mary River bulk for Owanilla pump station and main channel <sup>2</sup>	\$(187.3)	\$(233.8)	24.9%	▲	\$(190.7)	\$(242.5)	27.1%	▲
<b>Total opex<sup>3</sup></b>	<b>\$1,071.2</b>	<b>\$1,545.6</b>	<b>44.3%</b>	<b>▲</b>	<b>\$1,093.1</b>	<b>\$1,503.0</b>	<b>37.5%</b>	<b>▲</b>

▲	△	◀▶	▽	▼
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. Reflects the QCA's 2020–2024 irrigation price investigation final recommendations. Excludes recreational facility costs.
2. The Owanilla pump station and main channel also perform a bulk water function as they supplement the Tinana Barrage and Teddington Weir. In its 2020–2024 irrigation price investigation final recommendations, the QCA transferred a share of the Owanilla pump station and main channel costs from the Lower Mary River Distribution Service Contract to the Lower Mary River Bulk Water Service Contract. Refer to section 6.4.4 of the QCA's final Part B report at: [www.qca.org.au/project/rural-water/irrigation-price-investigations/](http://www.qca.org.au/project/rural-water/irrigation-price-investigations/).
3. 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.
4. Sunwater's 2022-23 actual expenditure figures presented in this table are pre-adjustment and will differ from our Irrigation Pricing Proposal and its engagement materials. Sunwater's 2023-24 figures align with our pricing submission, these figures may differ from the budget.

# Electricity in focus

Sunwater continues to manage the cost of electricity. In 2022-23, Sunwater undertook the following energy improvement initiatives in Lower Mary River Distribution:

- a review of our electricity tariff selections to ensure that we are using the most cost-effective tariffs. The review focused on pump stations as these assets consume the most electricity. There were tariff changes, which included some of the pump stations being reclassified from large to small networks. This means eligible tariffs have changed to align with the reclassification. This resulted in an average cost increase from 30.21c/kWh to 34.18c/kWh.
- The variability in water demand results in some pump stations being reclassified between a small standard asset customer (SAC) and large SAC when the rolling 12-month average consumption is above or below 100,000kWh. Sunwater and Ergon Network can initiate this change, which is determined by the 12-month rolling average consumption. Sunwater proactively monitors consumption to ensure optimal tariff selection.  
The notified pricing published by the Queensland Competition Authority for 2022-23 estimated electricity cost increases of 10%-21%<sup>2</sup>.
- Continue with Operational Electricity Dashboard Reporting with key electricity metrics monitored to identify efficiency opportunities.<sup>3</sup>

## Outlook for 2023-24

### Electricity

In 2023-24, Sunwater will continue our focus on managing the cost of electricity in this service contract. The following energy improvement initiatives are currently planned:

- annual tariff optimisation analysis resulted in tariff changes with the average cost increase from 33.27c/kWh to 36.59 c/kWh. The tariff changes reduce the average cost increase by 1.07c/kWh
- annual solar assessment
- monitoring of asset energy operational performance.

Table 6 - Electricity Tariff Arrangements

Pump Station	2023-24
Copenhagen	T22C
Main Road	T22C
Owanyilla	T50A
Walker Point	T44

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.*

<sup>2</sup> [Regulated retail electricity prices in regional Queensland 2022-23 \(qca.org.au\)](https://www.qca.org.au/regulation/regulated-retail-electricity-prices-in-regional-queensland-2022-23)

<sup>3</sup> Some measuring points are not currently available at all pump stations. Sunwater is working towards capturing this information in the future.

## Electricity metrics

Table 7 sets out electricity usage and efficiency-related information for Lower Mary River Distribution.

*Table 7 - Electricity usage and efficiency-related metrics*

Metric	2019-20	2020-21	2021-22	2022-23
Electricity usage (kWh) – pump stations	1,495,534	1,108,243	196,242	305,353
Water usage (ML) <sup>1</sup>	9589	6752	1,298	2,168
Actual electricity costs (\$)	384,781	215,072 <sup>2</sup>	176,448	155,026
Actual electricity cost per ML (\$/ML delivered)	40.13	31.85 <sup>2</sup>	135.97	71.51
Average pump energy indicator <sup>3</sup> (kWh/ML/per metre of head)	4.17	3.46	4.41	3.69

1. *Includes distribution losses.*
2. *Post the transfer of 59 per cent of Owanjilla pump station electricity costs to the Lower Mary 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

## 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) such that the amount customers pay is smoothed, 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 8 below.

The QCA and Sunwater closing balances differ due to differences in the expenditure profile allowed by the QCA in its 2020-24 final recommendations and actual expenditure incurred by Sunwater in 2022-23 and what we expect to spend in 2023-24.

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.

## Our performance in 2022-23

### 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 the QCA. At a project level, cost variances may also occur due to changes in the scope of work and cost inputs.

Further explanation of our performance is provided in the pricing submission and scheme summaries.

### Project level cost variances

Table 9 provides a comparison of the annuity-funded projects planned for 2022-23 and the actual projects undertaken, together with justification for the variances for all assets other than Owanyilla pump station and main channel. Table 10 contains the same information for Owanyilla pump station and main channel.

## Outlook

Details of the major annuity-funded projects planned for the 2023-24 and 2024-25 period are set out in Table 11 and Table 12.

Table 8 - Annuity and non-annuity funded expenditure and roll forward<sup>1</sup>

Annuity funded expenditure (and roll forward)										
	2022-23 actuals \$'000					2023-24 forecast \$'000				
		QCA <sup>2</sup>		Sunwater <sup>4</sup>	Δ to QCA		QCA <sup>2</sup>		Sunwater <sup>4</sup>	Δ to QCA
Opening balance	<i>O</i>	\$2,173.3	➔	\$457.0	-79.0% ▼		\$1,547.9	➔	\$(988.8)	-163.9% ▼
<b>Annuity funded expenditure</b>	<b><i>E</i></b>	<b>\$(942.5)</b>	<b>➔</b>	<b>\$(1,687.8)</b>	<b>79.1% ▲</b>		\$93.2	➔	\$(3,598.2)	-3958.8% ▼
Annuity revenue <sup>3</sup>	<i>R</i>	\$222.1	➔	\$222.1	- -		\$261.1	➔	\$261.1	- -
Interest	<i>I</i>	\$95.0	➔	\$20.0	- -		\$67.7	➔	\$(43.2)	- -
Closing balance	<i>C</i>	\$1,547.9	➔	\$(988.8)	-163.9% ▼		\$1,969.9	➔	\$(4,369.1)	-321.8% ▼
<i>C = (O + E + R + I)</i>										
Other expenditure (not part of prices)										
Dam improvement program		-		\$0.0	- -		-		\$0.0	- -
Recreational facility projects <sup>1</sup>		-		\$0.0	- -		-		\$0.0	- -
Metered offtakes and dividend reinvestment		-		\$0.0	- -		-		\$0.0	- -

▲	△	◀▶	▽	▼
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

- Forecast annuity-funded costs from 2020-21 exclude recreational facility projects.
- Reflects the QCA's 2020–2024 irrigation price investigation final recommendations.
- The annuity contribution is included in the prices paid by bulk water and distribution customers. From 2020-21 to 2023-24, the annuity contribution is based on the QCA's irrigation price investigation 2020–2024 final recommendations.
- Sunwater's 2022-23 actual expenditure figures presented in this table are pre-adjustment and will differ from our Irrigation Pricing Proposal and its engagement materials. Sunwater's 2023-24 figures align with our pricing submission, these figures may differ from the budget.

Table 9 - Owanyilla pump station and main channel annuity-funded balance

Annuity funded expenditure (and roll forward)										
	2022-23 actuals \$'000					2023-24 forecast \$'000				
		QCA		Sunwater	Δ to QCA		QCA		Sunwater	Δ to QCA
Opening balance	<i>O</i>	\$241.0	➔	\$176.2	-26.9% ▼		\$(178.9)	➔	\$(26.8)	-85.0% ▼
<b>Annuity funded expenditure</b>	<b><i>E</i></b>	<b>\$(595.0)</b>	<b>➔</b>	<b>\$(375.4)</b>	<b>-36.9%</b> ▼		\$(731.0)	➔	\$(2,237.7)	206.1% ▲
Annuity revenue <sup>1</sup>	<i>R</i>	\$164.6	➔	\$164.6	0.0% -		\$164.3	➔	\$164.3	0.0% -
Interest	<i>I</i>	\$10.5	➔	\$7.7	-26.9% -		\$(7.8)	➔	\$(1.2)	-85.0% -
Closing balance	<i>C</i>	\$(178.9)	➔	\$(26.8)	-85.0% ▼		\$(753.4)	➔	\$(2,101.3)	178.9% ▲
<i>C = (O + E + R + I)</i>										

▲	△	◄►	▽	▼
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. The annuity contribution is included in the prices paid by bulk water and distribution customers. For 2020-21 to 2023-24, the annuity contribution is based on the QCA's 2020–2024 irrigation price investigation final recommendations.
2. In its 2020–2024 irrigation price investigation final recommendations, the QCA transferred a share of the Owanyilla pump station and main channel costs from the Lower Mary River Distribution Service Contract to the Lower Mary River Bulk Water Service Contract. Refer to section 6.4.4 of the QCA's final Part B report at: [www.qca.org.au/project/rural-water/irrigation-price-investigations/](http://www.qca.org.au/project/rural-water/irrigation-price-investigations/).
3. The share of the annuity contribution included in the prices paid by Bulk water customers is \$97.1k in 2022-23 and \$97.0k in 2023-24.

## Comparison of forecast and actual annuity-funded projects for 2022-23

The below table sets out the major annuity-funded projects planned for Lower Mary River Distribution in 2022-23<sup>4</sup> and the actual projects undertaken (excluding Owanyilla pump station and main channel projects, refer to Table 9).

Table 10 - Comparison of forecast and actual annuity-funded projects for 2022-23 excluding Owanyilla pump station and main channel

Facility	Activity description	Forecast \$'000	Actual \$'000	Commentary
Main Roads pump station	Replace – electrical cabling based on known asset condition and age. Covers installation and commissioning.	344	220	This project is being completed in conjunction with the PLC controller, SCADA system and LV switchboard replacement project. The technical component of the project was completed in 2022-23 with the remaining work to continue in 2023-24.
Walker Point pump station	Refurbish – pump unit No. 3 pump based on known asset condition and age.	46	5	The project could not be completed due to irrigation demand. Work will be carried over
Main Roads pump station	Replace – electrical controls, including programmable logic controller (PLC) and SCADA system, based on known asset condition and age. Covers installation and commissioning.	241	0	This project was completed with the electrical cable replacement at the Main Roads pump station. Refer to the commentary above.
Main Roads pump station	Replace – low voltage (LV) switchboard based on known asset condition and age. Covers installation and commissioning.	458	0	This project was completed with the electrical cable replacement at the Main Roads pump station. Refer to the commentary above.
Copenhagen Bend system	Replace – customer meters based on known asset condition and age.	23	9	Fewer meters required replacing than planned.
Multiple	Various projects	129	104	The cost variance was driven by: <ul style="list-style-type: none"> <li>Fewer meters requiring replacement than planned (\$9k less)</li> <li>Refurbishment of the vacuum priming system at Main Roads pump station was not completed and was carried over to 2023-24 (\$15k less).</li> </ul>
Multiple	Non-scheduled projects	-	920	Most of this expenditure relates to replacing the submarine section of the C1 pipeline that was damaged during the 2021-22 floods (\$831k). Flood repairs were also needed at Walker point pump station (\$42k) Other works completed: <ul style="list-style-type: none"> <li>Ongoing assessment of Sunwater’s arc flash risk (\$38k)</li> <li>Suction pipeline replacement at Walker Point pump station (\$4k)</li> <li>A 2021-22 project invoice that was invoiced after 30 June 2022 (\$4k)</li> </ul>
<b>2022-23 Total</b>		<b>1241</b>	<b>1258</b>	

<sup>4</sup> Based on information extracted from Sunwater’s systems in mid-2023. See the 2023 S&PP at [www.sunwater.com.au/schemes/Lower-Mary-River/](http://www.sunwater.com.au/schemes/Lower-Mary-River/)

## Comparison of forecast and actual Owanilla pump station and main channel annuity-funded projects for 2022-23

The below table sets out the major annuity-funded projects planned for Owanilla pump station and main channel in 2022-23<sup>5</sup> and the actual projects undertaken. Customers in Lower Mary River Distribution contributed towards 41 per cent of the total project costs.

*Table 11 - Comparison of forecast and actual Owanilla pump station and main channel annuity-funded projects for 2022-23*

Facility	Activity description	Total forecast project costs \$'000	Distribution share of forecast project costs \$'000	Total actual project costs \$'000	Distribution share of actual project costs \$'000	Commentary
Owanilla pump station	Replace – electrical control system based on known asset condition and age (Stage 2).	321	132	0	0	This project was combined with other works to replace electrical cabling and switchboards at Owanilla pump station. The scope of work was reduced to align manufacturing and installation timing. Works deferred to 2023-24.
Owanilla pump station	Replace – electrical cables based on known asset condition and age.	218	89	0	0	This project was combined with other works to replace electrical cabling and switchboards at Owanilla pump station. The scope of work was reduced to align manufacturing and installation timing. Works deferred to 2023-24.
Owanilla pump station	Replace – low voltage (LV) switchboard 2 based on known asset condition and age.	745	305	0	0	This project was combined with other works to replace electrical cabling and switchboards at Owanilla pump station. The scope of work was reduced to align manufacturing and installation timing. Works deferred to 2023-24.
Owanilla pump station	Replace – damaged concrete lining based on known asset condition.	80	33	0	0	This project was deferred.
Owanilla pump station	Replace – LV switchboard 1 based on known asset condition and age.	424	174	337	138	This project was combined with other works to replace electrical cabling and switchboards at Owanilla pump station. The scope of work was reduced to align manufacturing and installation timing. Most of the work was deferred to 2023-24.
Multiple	Non-scheduled projects	-	-	38	16	Most of this expenditure relates to the settlement of project costs carried over from 2021-22.
<b>2022-23 Total</b>		<b>1788</b>	<b>733</b>	<b>375</b>	<b>154</b>	

<sup>5</sup> Based on information extracted from Sunwater's systems in mid-2023. See the 2023 S&PP at [www.sunwater.com.au/schemes/Lower-Mary-River/](http://www.sunwater.com.au/schemes/Lower-Mary-River/)



## Annuity-funded projects for 2023-24 and 2024-25

The below table sets out Sunwater’s currently planned annuity-funded projects for 2023-24 and 2024-25<sup>6</sup> period for this scheme (excluding Owanyilla pump station and main channel 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. The data in Table 12 is presented at a granular level and may not align with the overarching program names in our pricing submission.

*Table 12 - Annuity-funded projects for 2023-24 and 2024-25 excluding Owanyilla pump station and main channel.*

Year	Facility	Activity description	Forecast \$'000
2023-24	Copenhagen Bend system and Main Roads Distribution	Replace – customer meters based on known asset condition and age.	46
	Walker Point pump station	Replace – customer meters based on known asset condition and age.	34
	Walker Point pump station	Install vega water level measuring devices on both v-notch weirs to improve read accuracy and reduce health and safety risks.	11
	Walker Point pump station	Refurbish – pump unit No. 1 based on known asset condition and age.	50
	Copenhagen Bend pump station	Replace – LV switchboard, electrical controls, including PLC and SCADA, based on known asset condition and age. Covers installation and commission.	91
	Main Roads pump station	Replace – LV switchboard, electrical cables, controls, including PLC and SCADA, based on known asset condition and age. Covers installation and commission.	1118
	Walker Point pump station	Drawing 237230 needs to be updated to accurately reflect the construction of the v-notch weirs and seepage recovery system installed at Walker Point Balancing Storage.	11
	<b>2023-24 Total</b>		<b>1361</b>
2024-25	Multiple Pumpstations	Study – arc flash risk assessment to identify arc flash hazards.	207
	Copenhagen Bend system	Replace – customer meters based on known asset condition and age.	23
	Main Roads Pumpstation	Replace – new flow meter. Covers design and construction.	57
	Walker Point distribution system	Replace – customer meters based on known asset condition and age.	34
	Copenhagen Bend system	Replace – supervisory control and data acquisition (SCADA) software.	136
	Copenhagen Bend system	Replace – procure spare pump to minimise disruption to supply while other pumps are being serviced.	67

<sup>6</sup> The project forecasts provided in this table align with our pricing submission. It is important to acknowledge that these projects are inherently dynamic and susceptible to changes influenced by various factors.

Year	Facility	Activity description	Forecast \$'000
	Copenhagen Bend system	Design and modify bulkhead to reduce the requirement for divers.	35
	<b>2024-25 Total</b>		<b>559</b>

# Owanyilla pump station and main channel annuity-funded projects for 2023-24 and 2024-25

The below table sets out Sunwater’s currently planned Owanyilla pump station and main channel annuity-funded projects for 2023-24 and 2024-25<sup>7</sup> period. Customers in Lower Mary River Distribution contribute towards 41 per cent of the total project 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. The data in Table 13 is presented at a granular level and may not align with the overarching program names in our pricing submission.

*Table 13 Owanyilla pump station and main channel annuity-funded projects for 2023-24 and 2024-25*

Year	Facility	Activity description	Total forecast project costs \$'000	Distribution share of forecast project costs \$'000
2023-24	Owanyilla pump station	Replace – electrical control system based on known asset condition and age (Stage 2).	336	138
	Owanyilla pump station	Replace – LV switchboard 1 based on known asset condition and age.	560	230
	Owanyilla pump station	Replace – low voltage (LV) switchboard 2 based on known asset condition and age.	1342	550
	<b>2023-24 Total</b>		<b>2238</b>	<b>918</b>
2024-25	Owanyilla Pumpstation	Replace – design storage area and procure storage racks for trashscreens and bulkheads.	17	7
	<b>2024-25 Total</b>		<b>17</b>	<b>7</b>

<sup>7</sup> The project forecasts provided in this table align with our pricing submission. It is important to acknowledge that these projects are inherently dynamic and susceptible to changes influenced by various factors.