



# Final Service and Performance Plan

## 2022/23

Upper Condamine Bulk Water Service Contract

19 July 2022

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# At a glance

## Our performance in 2020/21

 **Operating costs:**  
\$1.75 million (24.5% more than QCA target)


Key drivers of cost variance:

- insurance
- operations labour and associated local area and corporate support costs
- preventative maintenance costs.


 **Annuity-funded costs:**  
\$0.26 million (11.4% less than QCA target)

The completion of a project to repair protection works at Lemon Tree Weir was deferred to 2021/22 due to site access issues. Actual project costs were \$35.9k less than the QCA target.

Some projects, such as the North Branch reprofile, were removed from the annuity-funded program of works. Funds were used to undertake new projects including an arc flash study and a refurbishment of pump unit 1 at Yarralong pump station.


 **Total water deliveries:**  
6000 ML

Water delivered to irrigators: 4408 ML

 **Service targets: Met**


No exceptions

## Outlook for 2022/23

 **Forecast operating costs:**  
\$1.72 million

Significant areas of expenditure:

- electricity (\$0.08 million)
- insurance (\$0.22 million)
- operations (\$1.17 million)
- preventative maintenance (\$0.16 million).

 **Forecast annuity-funded costs:**  
\$1.08 million

Key projects planned:

- refurbish upstream rip rap on the saddle dam (\$0.39 million)
- replace customer meters (\$0.22 million).

# 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 2020/21.

The purpose of this year’s S&PP for the Upper Condamine Bulk Water Service Contract is to:

- present to customers Sunwater’s projected costs<sup>1</sup> for the upcoming five-year period, i.e. 2022/23 to 2026/27
- consult with our customers on forecast operating and annuity-funded costs for 2022/23 and the forward program of works
- examine Sunwater’s performance in 2020/21 against cost and service targets.

Our focus during 2022/23 will be on ensuring dam safety compliance is maintained and that refurbishment and corrective work identified through our annual and five yearly comprehensive inspections at Leslie Dam and the scheme’s weirs are implemented safely, timely and efficiently.

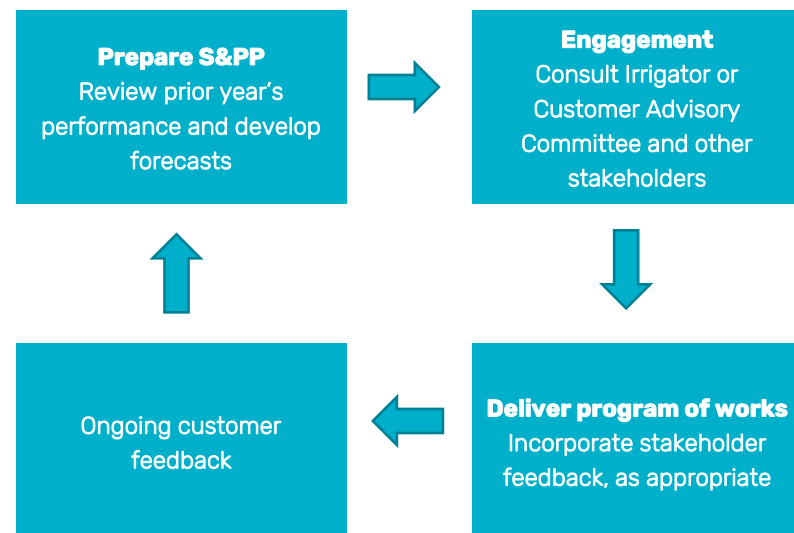
In addition to this S&PP, Sunwater has published an information sheet which explains the types of costs we incur in delivering water to our customers and how those costs are allocated to service contracts. The information sheet is available at:

[www.sunwater.com.au/customer/products-and-services/service-and-performance-plans/](http://www.sunwater.com.au/customer/products-and-services/service-and-performance-plans/)

<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.

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. Figure 1 outlines how Sunwater and customers work together in relation to S&PPs.

Figure 1: Customer consultation and S&PPs



We welcome and encourage your feedback on this S&PP. To have your say and shape future S&PPs, 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

At Sunwater we are committed to working collaboratively with our customers to deliver value and fit-for-purpose water solutions.

## Our customers

The majority of the 92 customers in this scheme are irrigators who grow cotton, sorghum, maize, soybean, sunflower, barley, oats, wheat and lucerne. Water also supplements the town water supplies of Warwick and Cecil Plains.

The water allocations for each customer segment are included in Table 1, together with water deliveries in 2020/21. Historical total water usage is available in **Appendix 1**.

*Table 1: Water allocations and usage data<sup>1</sup>*

| Customer segment                     | Total water allocations (ML) | High-A priority water allocations (ML) | High-B priority water allocations (ML) | Medium priority water allocations (ML) | Risk-A priority water allocations (ML) | Risk-B priority water allocations (ML) | Total water deliveries 2020/21 (ML) |
|--------------------------------------|------------------------------|--|--|--|--|--|-------------------------------------|
| Irrigation                           | 30,353                       | 0                                      | 0                                      | 22,155                                 | 7320                                   | 878                                    | 4408                                |
| Urban                                | 3332                         | 3207                                   | 125                                    | 0                                      | 0                                      | 0                                      | 1591                                |
| Industrial                           | 14                           | 4                                      | 0                                      | 10                                     | 0                                      | 0                                      | 1                                   |
| Sunwater (excl. distribution losses) | 236                          | 26                                     | 0                                      | 163                                    | 0                                      | 47                                     | 0                                   |
| Sunwater distribution losses         | 25                           | 25                                     | 0                                      | 0                                      | 0                                      | 0                                      | 0                                   |
| <b>Total</b>                         | <b>33,960</b>                | <b>3262</b>                            | <b>125</b>                             | <b>22,328</b>                          | <b>7320</b>                            | <b>925</b>                             | <b>6000</b>                         |

1. Figures exclude stream flow.

## Irrigation charges

The 2022/23 charges and cost per megalitre are shown in Table 2.

Table 2: Irrigation charges for 2022/23

| Tariff group                                     | Product                    | 2022/23 (\$/ML) <sup>1</sup> | QCA cost-reflective (\$/ML) <sup>2</sup> |
|--|----------------------------|------------------------------|--|
| North Branch – Medium Priority                   | Allocation Charge – Part A | 40.49                        | 16.23                                    |
|  | Allocation Water – Part B  | 13.50                        | 20.24                                    |
| North Branch – Risk A                            | Allocation Charge – Part A | 11.42                        | 13.56                                    |
|  | Allocation Water – Part B  | 16.83                        | 20.24                                    |
| Sandy Creek or Condamine River – Medium Priority | Allocation Charge – Part A | 28.93                        | 16.16                                    |
|  | Allocation Water – Part B  | 4.95                         | 6.06                                     |

1. 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.
2. Is the cost-reflective price determined by the Queensland Competition Authority (QCA) in its 2020–2024 irrigation price investigation (excluding dam improvement costs). Costs reflect lower bound cost recovery, i.e. recovery of future replacement and ongoing maintenance and operations. Charges do not allow for any returns on existing assets.

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/)

## Service targets

Sunwater and customers have agreed Water Supply Arrangements and Service Targets for the Upper Condamine Bulk Water Service Contract. Table 3 sets out our recent performance against selected service targets for this scheme.

Table 3: Scheme service targets and performance

| Service target                              |   | Target         | Number of exceptions |         |         |
|---|---|----------------|----------------------|---------|---------|
|   |   |                | 2018/19              | 2019/20 | 2020/21 |
| 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 <sup>1</sup> | Unplanned shutdowns during Peak Demand Period     | 4 days         | 0                    | 0       | 0       |
|   | Unplanned shutdowns outside Peak Demand Period    | 7 working days |                      |         |         |
| Maximum number of interruptions             | Planned or unplanned interruptions per water year | 6              | 0                    | 0       | 0       |

1. This is the number of times that the unplanned shutdown has exceeded the shortest of the peak/off peak periods.

In addition, Sunwater has company-wide customer interactions service targets. Our performance in 2020/21 against these service targets is shown in Table 4.

Table 4: Customer interactions service targets and performance

| Service target   | Target   | 2020/21 |
|--|----------|---------|
| Telephone answering <sup>1</sup>   | 80.00%   | 90.93%  |
| Requests actioned within Service Level Agreement (SLA) timeframes <sup>2</sup> | > 95.00% | 99.14%  |

1. This target measures the percentage of 13 15 89 calls that are answered within 60 seconds.
2. 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 5 lists the key infrastructure used to deliver bulk water services to our customers in the Upper Condamine.

Table 5: Key infrastructure

| Asset                    | Description   | Capacity   |
|--------------------------|---|------------|
| Leslie Dam               | Mass concrete gravity dam with a saddle dam. Classified as a referable dam under the <i>Water Supply (Safety and Reliability) Act 2008</i> .  | 106,200 ML |
| Cecil Plains Weir        | Mass concrete with a centre spillway.   | 700 ML     |
| Talgai Weir              | Concrete faced earth-fill structure.  | 640 ML     |
| Yarramalong Weir         | Sheet piling filled with free draining sandfill under impervious clay and topped with either reinforced concrete or concreted rockfill.   | 390 ML     |
| Wando Weir               | Grassed flat earthen bank incorporating a v-shaped concrete sill at the head of a long and shallow rock mattress covered spillway.  | 310 ML     |
| Lemon Tree Weir          | Concrete faced earth-fill wall.   | 300 ML     |
| Melrose Weir             | Grassed earthen construction with a small curved concrete spillway.   | 160 ML     |
| Nangwee Weir             | Concrete faced earth-fill embankment.   | 80 ML      |
| Yarramalong pump station | A pump station located on the right bank of the Condamine River and diversion to North Branch, which has three submersible pumps. Pumps from Yarramalong Weir into the North Branch system. | 346 ML/day |

# Financial summary—Revenue and expenditure

A high-level summary of the budgeted financial performance of the Upper Condamine Bulk Water Service Contract is presented in Table 6.

The revenue Sunwater receives from urban and industrial customers is agreed by term contract. The revenue we receive from irrigation customers is determined by the Queensland Government, based on recommendations made by the QCA as part of its review of irrigation prices.

Forecast revenue in 2022/23 is expected to be higher because of funding received under the Queensland Government’s Southern Downs drought resilience package. Funding will be used to increase Leslie Dam’s usable water capacity by installing infrastructure to improve access to the dam’s dead storage volume, for supply to high priority customers during periods of critical water shortages.

In 2022/23, Sunwater expects to spend \$501 million across all parts of our business, i.e. regulated and non-regulated. A breakdown of the forecast total cost pool at the direct and non-direct cost level is shown in Figure 2, together with the percentage of these costs allocated to the Upper Condamine Bulk Water Service Contract. Details on the planned spend for this scheme are outlined on subsequent pages of this S&PP.

Figure 2: Total Sunwater cost pools and allocation to scheme—2022/23 forecast (\$M)

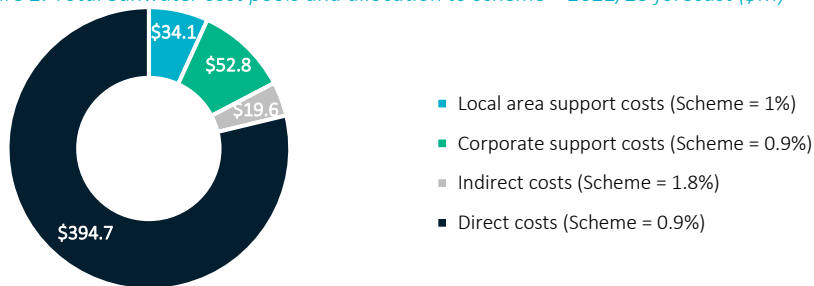


Table 6: Service contract financial summary

| Upper Condamine Bulk Water Service Contract | 2018/19 Sunwater / QCA Actual \$'000 | 2019/20 Actual \$'000 | 2020/21 Actual \$'000 | 2021/22 Forecast \$'000 | 2022/23 Forecast \$'000 |
|---|--------------------------------------|-----------------------|-----------------------|-------------------------|-------------------------|
| Revenue                                     |                                      |                       |                       |                         |                         |
| Irrigation                                  | 962.8                                | 1035.6                | 990.7                 | 1172.1                  | 991.4                   |
| Community Service Obligation                | -                                    | -                     | 146.6                 | -                       | -                       |
| Industrial <sup>1</sup>                     | -                                    | -                     | -                     | -                       | -                       |
| Urban <sup>1</sup>                          | 1598.3                               | 1610.0                | 1644.1                | 1670.0                  | 1670.0                  |
| Revenue transfers                           | -                                    | -                     | -                     | -                       | -                       |
| Drainage                                    | -                                    | -                     | -                     | -                       | -                       |
| Other                                       | 0.5                                  | 0.5                   | 10.0                  | 505.0 <sup>3</sup>      | 1815.5 <sup>3</sup>     |
| <b>Revenue total</b>                        | <b>2561.6</b>                        | <b>2646.1</b>         | <b>2791.4</b>         | <b>3347.1</b>           | <b>4476.8</b>           |
| Less – Operating expenditure                | 1319.2                               | 1451.7                | 1756.2                | 1770.4                  | 1755.5                  |
| Less  |                                      |                       |                       |                         |                         |
| Annuity-funded                              | 186.2                                | 1005.7 <sup>2</sup>   | 257.0                 | 1467.4                  | 1083.7                  |
| Non-annuity funded <sup>4</sup>             | -                                    | 64.5                  | 22.5                  | 540.9                   | 1834.2                  |
| <b>Surplus (deficit)</b>                    | <b>1056.2</b>                        | <b>124.2</b>          | <b>755.7</b>          | <b>(431.6)</b>          | <b>(196.6)</b>          |

- Forecast revenues for industrial and urban customers are based on current contractual arrangements.
- The annuity-funded spend for 2019/20 has been adjusted to include historical costs associated with a comprehensive risk assessment of Leslie Dam. These costs were inadvertently classified as Dam Improvement Program costs previously.
- Southern Downs drought resilience package.
- This is expenditure which has not been funded by irrigation customers. Examples of this in the Upper Condamine Bulk Water Service Contract are recreational facility costs from 2020/21 and expenditure related to the Southern Downs drought resilience package.

## 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 7 sets out actual and forecast operating expenditure for the Upper Condamine Bulk Water Service Contract. For a more detailed breakdown by cost category, refer to **Appendix 2**.

Table 7: Operating expenditure<sup>1</sup>

| Upper Condamine Bulk Water Service Contract                      | 2018/19                | 2019/20                | 2020/21                        |                        | 2021/22         |                          | 2022/23                        |                          | 2023/24                        | 2024/25                  | 2025/26                  | 2026/27                  |                          |
|--|------------------------|------------------------|--------------------------------|------------------------|-----------------|--------------------------|--------------------------------|--------------------------|--------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|  | Sunwater Actual \$'000 | Sunwater Actual \$'000 | QCA Target \$'000 <sup>2</sup> | Sunwater Actual \$'000 | Variance \$'000 | Sunwater Forecast \$'000 | QCA Target \$'000 <sup>2</sup> | Sunwater Forecast \$'000 | QCA Target \$'000 <sup>2</sup> | Sunwater Forecast \$'000 | Sunwater Forecast \$'000 | Sunwater Forecast \$'000 | Sunwater Forecast \$'000 |
| Operations   | 1045.9                 | 1152.6                 | 1109.3                         | 1432.4                 | 323.2           | 1347.3                   | 1134.1                         | 1466.0                   | 1160.5                         | 1526.4                   | 1575.1                   | 1626.0                   | 1693.1                   |
| Electricity  | 16.8                   | 57.4                   | 91.7                           | 95.5                   | 3.8             | 59.0                     | 94.8                           | 80.0                     | 96.1                           | 82.2                     | 84.5                     | 86.8                     | 89.2                     |
| Insurance  | 130.7                  | 148.6                  | 164.6                          | 198.1                  | 33.6            | 263.9                    | 167.9                          | 215.8                    | 171.7                          | 232.9                    | 251.2                    | 271.1                    | 292.4                    |
| Operations   | 898.4                  | 946.6                  | 853.0                          | 1138.7                 | 285.8           | 1024.4                   | 871.4                          | 1170.2                   | 892.7                          | 1211.4                   | 1239.4                   | 1268.1                   | 1311.5                   |
| Preventative maintenance   | 222.8                  | 233.3                  | 247.8                          | 290.8                  | 43.0            | 274.3                    | 253.2                          | 164.8                    | 259.4                          | 170.1                    | 174.7                    | 178.9                    | 185.2                    |
| Corrective maintenance   | 50.5                   | 65.8                   | 49.7                           | 27.5                   | (22.3)          | 117.2                    | 50.8                           | 92.9                     | 52.0                           | 95.7                     | 98.4                     | 100.8                    | 104.1                    |
| <b>Operating costs total</b>                                     | <b>1319.2</b>          | <b>1451.7</b>          | <b>1406.7</b>                  | <b>1750.7</b>          | <b>344.0</b>    | <b>1738.8</b>            | <b>1438.0</b>                  | <b>1723.6</b>            | <b>1471.9</b>                  | <b>1792.3</b>            | <b>1848.2</b>            | <b>1905.7</b>            | <b>1982.4</b>            |
| Recreational facility costs <sup>3</sup>                         |                        |                        |                                | 5.5                    |                 | 31.6                     |                                | 31.9                     |                                | 33.0                     | 33.8                     | 34.6                     | 35.7                     |
| <b>Operating costs total (incl. recreational facility costs)</b> | <b>1319.2</b>          | <b>1451.7</b>          |                                | <b>1756.2</b>          |                 | <b>1770.4</b>            |                                | <b>1755.5</b>            |                                | <b>1825.2</b>            | <b>1882.0</b>            | <b>1940.3</b>            | <b>2018.1</b>            |

1. Sunwater's 2022/23 to 2026/27 budget figures are draft as at the time of consultation. These figures will not be locked down until late in the financial year prior.
2. Reflects the QCA's 2020–2024 irrigation price investigation final recommendations. Excludes recreational facility costs.
3. From 1 July 2020, irrigation customers no longer contribute towards the cost of operating and maintaining recreational facilities. Forecast costs have been separately identified for transparency.



## Our performance in 2020/21

In 2020/21, operating costs were higher than the QCA's recommended cost target by \$344.0k. The increased cost was driven by:

- higher operations labour (\$65.1k)
- insurance (\$33.6k)
- local area (\$77.2k) and corporate support costs (\$97.3k) attributed to operations activities
- preventative maintenance costs (\$43.0k).

Corrective maintenance was \$22.3k below the QCA target.

## Electricity

Sunwater continues to proactively manage the cost of electricity. In 2020/21, Sunwater undertook the following energy improvement initiatives in the Upper Condamine Bulk Water Service Contract:

- a review of our electricity tariff selections, to ensure that we are using the most cost-effective tariffs. Our review focused on pump stations as these assets consume the most electricity. There was a tariff change in the later months of 2020/21, with the average cost based on 2021/22 rates decreasing from 27.27 c/kWh to 22.75 c/kWh.
- commencement of Operational Electricity Dashboard Reporting with key electricity metrics monitored on a continual basis to identify efficiency opportunities.<sup>2</sup>

## Outlook for 2022/23

### Operations

Upper Condamine Bulk Water Service Contract's total operations budget in 2022/23 is 26.3 per cent above the QCA's recommended cost target. This variance is largely driven by increases in labour costs (\$79.6k), insurance costs (\$44.1k, see below), local area support costs (\$60.4k), corporate support costs (\$113.8k) and other costs (\$51.7k, primarily plant and equipment charges such as vehicles, which are now directly charged to the

service contract). Labour cost increases are driven by additional resources (Trainee Operator/Maintainer and Operator/Maintainer) engaged to manage future retirement risk over the short to medium term.

### Insurance

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. Although Sunwater is subject to market forces in the pricing of insurance premiums, we have also been actively managing insurance premium costs by reviewing coverage levels and policy specifications (including deductibles) to ensure that our insurance coverage is appropriate and reflective of the risks faced by our business.

Our insurance broker has indicated that prior to the early 2022 flood events, premium increases were trending downwards from a peak in late 2020 (with some exceptions). However, with another significant natural disaster in Australia, this is now likely to change. Insurance premiums in 2022/23 are therefore expected to be higher than the QCA's recommended allowance and historical costs.

### Electricity

In 2022/23, 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
- potential desktop energy audit
- monitoring of asset energy operational performance.

### Preventative maintenance

The forecast preventative maintenance costs for the Upper Condamine Bulk Water Service Contract are 36.5 per cent below the QCA's

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<sup>2</sup> Some measuring points are not currently available at all pump stations. Sunwater is working towards capturing this information in the future.

recommended cost target. This is due to a shift in internal labour costs from preventative maintenance to operations and corrective maintenance.

### Corrective maintenance

In 2022/23, Sunwater anticipates spending \$92.9k on corrective maintenance in the Upper Condamine Bulk Water Service Contract. This is 78.6 per cent above the QCA’s recommended cost target, primarily due to a shift in addressing minor capital work of a corrective nature up to \$5k through the operating cost component as opposed to the annuity and a shift in labour costs from preventative maintenance.

### Electricity metrics

Table 8 sets out electricity usage and efficiency-related information for Yarramalong pump station.

*Table 8: Electricity usage and efficiency-related metrics for Yarramalong pump station<sup>1</sup>*

| Metric  | 2017/18 <sup>2</sup> | 2018/19 | 2019/20 | 2020/21 |
|---|----------------------|---------|---------|---------|
| Electricity usage (kWh)   | 94,138               | 18,214  | 164,015 | 337,761 |
| Actual electricity costs (\$)   | 26,743               | 6835    | 48,211  | 98,843  |
| Volume pumped (ML)  | 1693                 | 312     | 4584    | 7914    |
| Actual electricity cost per ML (\$/ML pumped)                         | 15.80                | 21.91   | 10.52   | 12.49   |
| Average pump energy indicator <sup>3</sup> (kWh/ML/per metre of head) |                      | 5.31    | 3.25    | 3.88    |

1. Yarramalong pump station only. Electricity costs do not reconcile to figures presented elsewhere in this S&PP, which are scheme-wide and reflect Sunwater’s financial model.
2. Includes an invoice received for the billing period 1 May 2017 to 31 July 2017, which covered two financial years. At the time an interval meter was not installed so it is difficult to accurately determine consumption and associated costs. However, since pumping occurred in July 2017, Sunwater has included this invoice against 2017/18 for the purposes of this table.
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 early 2020 to capture energy consumption at a granular level, Sunwater is now able to more frequently monitor our performance against this metric.

The irregular operation of the pumps adds another challenge in monitoring pump efficiency on an on-going basis.

## Cost of delivering services—Annuity and non-annuity funded expenditure

Annuity-funded expenditure include funds for preventative and corrective maintenance, as well as large, one-off operations activities. Preventative maintenance activities monitor the asset condition and inform when an asset needs to be refurbished or replaced under the corrective maintenance program.

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

Table 9 details our annuity and non-annuity funded expenditure for this service contract.

Table 9: Annuity and non-annuity funded expenditure<sup>1,2</sup>

| Upper Condamine Bulk Water Service Contract | 2018/19                                   | 2019/20                   | 2020/21                        |                        |                 | 2021/22                  |                                | 2022/23                  |                                | 2023/24                  | 2024/25                  | 2025/26                  | 2026/27                  |
|---|---|---------------------------|--------------------------------|------------------------|-----------------|--------------------------|--------------------------------|--------------------------|--------------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|   | Sunwater / QCA Actual \$'000 <sup>3</sup> | Sunwater Actual \$'000    | QCA Target \$'000 <sup>4</sup> | Sunwater Actual \$'000 | Variance \$'000 | Sunwater Forecast \$'000 | QCA Target \$'000 <sup>4</sup> | Sunwater Forecast \$'000 | QCA Target \$'000 <sup>4</sup> | Sunwater Forecast \$'000 | Sunwater Forecast \$'000 | Sunwater Forecast \$'000 | Sunwater Forecast \$'000 |
| <b>Annuity-funded</b>                       |   |                           |                                |                        |                 |                          |                                |                          |                                |                          |                          |                          |                          |
| Operations                                  | 10.2                                      | -                         | -                              | -                      | -               | -                        | -                              | -                        | -                              | -                        | -                        | -                        | -                        |
| Preventative maintenance                    | -   | -                         | -                              | -                      | -               | -                        | -                              | -                        | -                              | -                        | -                        | -                        | -                        |
| Planned corrective maintenance              | 130.1                                     | 1005.7                    | 290.1                          | 257.0                  | (33.1)          | 1467.4                   | 330.0                          | 1083.7 <sup>6</sup>      | 280.5                          | 1383.9 <sup>6</sup>      | 1133.4                   | 673.5                    | 481.3                    |
| Unplanned corrective maintenance            | 45.9                                      | -                         | -                              | -                      | -               | -                        | -                              | -                        | -                              | -                        | -                        | -                        | -                        |
| <b>Annuity-funded total</b>                 | <b>186.2</b>                              | <b>1005.7<sup>5</sup></b> | <b>290.1</b>                   | <b>257.0</b>           | <b>(33.1)</b>   | <b>1467.4</b>            | <b>330.0</b>                   | <b>1083.7</b>            | <b>280.5</b>                   | <b>1383.9</b>            | <b>1133.4</b>            | <b>673.5</b>             | <b>481.3</b>             |
| <b>Non-annuity funded</b>                   |   |                           |                                |                        |                 |                          |                                |                          |                                |                          |                          |                          |                          |
| Dam Improvement Program                     | -   | -                         | -                              | -                      | -               | -                        | -                              | -                        | -                              | -                        | -                        | -                        | -                        |
| Recreational facility projects              |   |                           |                                | 17.3                   |                 | 35.9                     |                                | 18.7                     |                                | -                        | 320.2                    | -                        | 9.7                      |
| Metered offtakes and dividend reinvestment  | -   | 64.5                      |                                | 5.3                    |                 | 505.0                    |                                | 1815.5                   |                                | 583.8                    | -                        | -                        | -                        |
| <b>Non-annuity total</b>                    | <b>-</b>                                  | <b>64.5</b>               |                                | <b>22.5</b>            |                 | <b>540.9</b>             |                                | <b>1834.2</b>            |                                | <b>583.8</b>             | <b>320.2</b>             | <b>-</b>                 | <b>9.7</b>               |

1. Sunwater’s 2022/23 to 2026/27 budget figures are draft as at the time of consultation. These figures will not be locked down until late in the financial year prior.
2. Forecast annuity-funded costs from 2020/21 exclude recreational facility projects.
3. The annuity-funded spend for 2018/19 reflects the QCA’s 2020–2024 irrigation price investigation final recommendations, which included adjustments to Sunwater’s actual costs.
4. Reflects the QCA’s 2020–2024 irrigation price investigation final recommendations.
5. The annuity-funded spend for 2019/20 has been adjusted to include historical costs associated with a comprehensive risk assessment of Leslie Dam. These costs were inadvertently classified as Dam Improvement Program costs previously.
6. The requirement and timing for meter replacements to meet the non-urban metering standard will be reviewed based on legislative timeframes yet to be defined by DRDMW.

## Our performance in 2020/21

### 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.

In 2020/21, total annuity-funded costs were lower than the QCA's recommended cost target. Sunwater undertook several projects that were not planned for at the time of our June 2019 submission, including an arc flash study and refurbishment of pump unit 1 at Yarramalong pump station. These increased costs were offset by the carryover of protection works at the toe of the Lemon Tree Weir spillway to 2021/22 due to site access issues (\$35.9k lower than the QCA target), the removal of a project to reprofile the North Branch (\$55.6k less) and the asset revaluation not being funded by the annuity (\$37.7k less).

### Project level cost variances

**Appendix 3** provides a comparison of the annuity-funded projects planned for 2020/21 and the actual projects undertaken, together with justification for the variances.

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<sup>3</sup> See pages 58 to 60, [www.qca.org.au/wp-content/uploads/2020/02/irrigation-price-review-part-b-sunwater-final-report.pdf](http://www.qca.org.au/wp-content/uploads/2020/02/irrigation-price-review-part-b-sunwater-final-report.pdf)

## Outlook

Details of the major annuity-funded projects planned for the 2022/23 to 2026/27 period are set out in **Appendix 4**. In 2022/23, Sunwater plans to replace customer meters and refurbish upstream rip rap at the saddle dam.

### Asset management and planning improvements

In its final report for the 2020–2024 irrigation price investigation, the QCA identified several potential improvements to Sunwater's asset management and planning framework. It suggested Sunwater should:

- improve our predictive maintenance and asset condition reporting arrangements to better inform the timing of asset replacement
- review our cost estimation approach and ensure that asset values are based on modern equivalent replacement values where appropriate
- develop transparent guidelines for options analyses.<sup>3</sup>

Sunwater acknowledges there is room for improvement in our asset management system and is working on several initiatives to address these potential improvements, as outlined below.

### Predictive maintenance and asset condition reporting

A focus during 2022/23 and beyond is to better leverage data to make more informed decisions and to ensure operations and maintenance activities are implemented safely, timely and efficiently.

To achieve this, Sunwater has invested in a new Enterprise Asset Management system (SAP). The new system and other IT infrastructure changes, such as a mobility solution that enables near real-time data to be loaded into the system and data automation initiatives, have presented a significant opportunity to transition to a data driven decision-making business.

In addition, Sunwater is improving predictive maintenance capability by monitoring asset performance data of critical assets. For example, the preventative maintenance program for pump stations is transitioning to usage-based intervals and energy and condition data is being analysed via remote dashboards. The SAP Analytic Cloud should also allow asset condition data to be trended over time. This will present asset condition decay curves which can be used to predict when an asset should be scheduled for maintenance. The asset data will provide a greater insight to asset performance, condition, and refurbishment and replacement planning.

### **Cost estimation approach**

A change to Sunwater's asset planning cycle in 2019 has improved the near-term cost estimation of annuity funded work. The change targets two years of fully cost-estimated work and has increased the visibility of the forward program.

Sunwater undertook an asset valuation exercise in 2021 to estimate the value of fully replacing high value assets including dams and pipelines using a bottom-up assessment of material line items. This data informs the replacement values underpinning forecast annuity-funded costs outside of the immediate program of works.

### **Options analyses**

Sunwater has implemented improvements to our asset management system with a fit-for-purpose alignment to the ISO55001 asset management standard. Key to the alignment is the simplification of how maintenance work is identified and delivered.

Low value, low complexity work follows a standard work management methodology and is managed at a service contract level. High value, high complexity work is managed at an individual level and is subject to an options analysis. High value, high complexity work will also be assessed against the relevant criteria to determine if it meets Sunwater's project, program, and portfolio management framework (P3MF) for project management guidelines.

Options analyses examine a range of options and assess the shortlisted options against selected criteria, including financial, regulatory, social, and environmental factors.

# Annuity balance

Annuities are managed by Sunwater on behalf of each service contract. They allow for customer charges to reflect a constant amount necessary to recoup the costs of refurbishment/replacement of the assets over a pre-determined period of time. The forecast annuity balances, and the impacts of budgeted spend, are shown in Table 10 below.

The QCA and Sunwater closing balances differ due to differences in the expenditure profile allowed by the QCA in its 2020–2024 final recommendations and actual expenditure incurred by Sunwater in 2019/20 and what we expect to spend thereafter.

Table 10: Annuity balance

| Upper Condamine Bulk Water Service Contract | 2018/19<br>QCA Actual<br>\$'000 | 2019/20<br>Actual<br>\$'000 | 2020/21<br>Actual<br>\$'000 | 2021/22<br>Forecast<br>\$'000 | 2022/23<br>Forecast<br>\$'000 | 2023/24<br>Forecast<br>\$'000 | 2024/25<br>Forecast<br>\$'000 | 2025/26<br>Forecast<br>\$'000 | 2026/27<br>Forecast<br>\$'000 |
|---|---------------------------------|-----------------------------|-----------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|
| Opening balance <sup>1</sup>                | (139.5)                         | 282.7                       | (73.5)                      | 405.4                         | (282.4)                       | (593.7)                       | (1212.5)                      | (1888.7)                      | (2111.9)                      |
| Spend <sup>2</sup>                          | (186.2)                         | (1005.7)                    | (257.0)                     | (1467.4)                      | (1083.7)                      | (1383.9)                      | (1133.4)                      | (673.5)                       | (481.3)                       |
| Insurance proceeds receipts (if applicable) |                                 |                             |                             |                               |                               |                               |                               |                               |                               |
| Prior year                                  | -                               | -                           | -                           | -                             | -                             | -                             | -                             | -                             | -                             |
| Current year                                | 5.8                             | -                           | -                           | -                             | -                             | -                             | -                             | -                             | -                             |
| Annuity contribution <sup>3</sup>           | 613.0                           | 628.3                       | 739.0                       | 761.9                         | 784.7                         | 791.1                         | 510.2                         | 533.0                         | 549.5                         |
| Interest/financing costs                    | (10.4)                          | 21.2                        | (3.2)                       | 17.7                          | (12.3)                        | (26.0)                        | (53.0)                        | (82.6)                        | (92.3)                        |
| <b>Sunwater – Closing balance</b>           | <b>282.7</b>                    | <b>(73.5)</b>               | <b>405.4</b>                | <b>(282.4)</b>                | <b>(593.7)</b>                | <b>(1212.5)</b>               | <b>(1888.7)</b>               | <b>(2111.9)</b>               | <b>(2136.0)</b>               |
| <b>QCA – Closing balance</b>                | <b>282.7</b>                    | <b>672.1</b>                | <b>1150.4</b>               | <b>1632.5</b>                 | <b>2208.2</b>                 | <b>2628.9</b>                 |                               |                               |                               |
| Difference                                  | -                               | (745.5)                     | (745.0)                     | (1914.9)                      | (2801.9)                      | (3841.4)                      |                               |                               |                               |

1. The opening balances for 2018/19 and 2019/20 reflect the QCA's 2020–2024 irrigation price investigation final recommendations.
2. The spend for 2018/19 reflects the QCA's 2020–2024 irrigation price investigation final recommendations, which included adjustments to Sunwater's actual costs. The 2019/20 and 2020/21 spend reflects Sunwater's actual costs. Thereafter, the spend is based on Sunwater's forecasts.
3. The annuity contribution is included in the prices paid by customers. It was set by the QCA from 2012/13 to 2016/17 and was rolled forward with the Consumer Price Index (CPI) for 2017/18, 2018/19 and 2019/20. From 2020/21 to 2023/24, the annuity contribution is based on the QCA's 2020–2024 irrigation price investigation final recommendations. Thereafter, it is based on Sunwater's projections.

# Appendix 1—Historical water usage

The below table contains the scheme’s recent water use, together with the 19-year average for the 2002/03 to 2020/21 period.

| Year                              | Usage (ML)    |
|-----------------------------------|---------------|
| 2010/11                           | 9767          |
| 2011/12                           | 22,551        |
| 2012/13                           | 24,432        |
| 2013/14                           | 22,202        |
| 2014/15                           | 20,368        |
| 2015/16                           | 8532          |
| 2016/17                           | 20,167        |
| 2017/18                           | 4287          |
| 2018/19                           | 1703          |
| 2019/20                           | 7793          |
| 2020/21                           | 6000          |
| <b>19-year historical average</b> | <b>10,328</b> |

## Appendix 2—Operating and annuity-funded costs by expense type

| Upper Condamine Bulk Water Service Contract | 2018/19                      | 2019/20                | 2020/21           |                        |                 | 2021/22                  |                   | 2022/23                  |                   | 2023/24                  | 2024/25                  | 2025/26                  | 2026/27                  |
|---|------------------------------|------------------------|-------------------|------------------------|-----------------|--------------------------|-------------------|--------------------------|-------------------|--------------------------|--------------------------|--------------------------|--------------------------|
|   | Sunwater / QCA Actual \$'000 | Sunwater Actual \$'000 | QCA Target \$'000 | Sunwater Actual \$'000 | Variance \$'000 | Sunwater Forecast \$'000 | QCA Target \$'000 | Sunwater Forecast \$'000 | QCA Target \$'000 | Sunwater Forecast \$'000 | Sunwater Forecast \$'000 | Sunwater Forecast \$'000 | Sunwater Forecast \$'000 |
| <b>Operating costs</b>                      |                              |                        |                   |                        |                 |                          |                   |                          |                   |                          |                          |                          |                          |
| Operations                                  | 1045.9                       | 1152.6                 | 1109.3            | 1432.4                 | 323.2           | 1347.3                   | 1134.1            | 1466.0                   | 1160.5            | 1526.4                   | 1575.1                   | 1626.0                   | 1693.1                   |
| Labour                                      | 224.1                        | 255.6                  | 203.0             | 268.1                  | 65.1            | 237.6                    | 207.7             | 292.6                    | 213.0             | 301.4                    | 310.4                    | 319.7                    | 329.3                    |
| Contractors                                 | 27.0                         | 9.3                    | 16.0              | 14.6                   | (1.4)           | 24.0                     | 16.4              | 19.6                     | 16.7              | 20.1                     | 20.7                     | 21.2                     | 21.8                     |
| Materials                                   | 3.4                          | 5.3                    | 5.6               | 6.7                    | 1.1             | 6.8                      | 5.7               | 6.8                      | 5.9               | 7.0                      | 7.2                      | 7.4                      | 7.6                      |
| Electricity                                 | 16.8                         | 57.4                   | 91.7              | 95.5                   | 3.8             | 59.0                     | 94.8              | 80.0                     | 96.1              | 82.2                     | 84.5                     | 86.8                     | 89.2                     |
| Insurance                                   | 130.7                        | 148.6                  | 164.6             | 198.1                  | 33.6            | 263.9                    | 167.9             | 215.8                    | 171.7             | 232.9                    | 251.2                    | 271.1                    | 292.4                    |
| Other                                       | 117.9                        | 150.8                  | 91.2              | 126.8                  | 35.6            | 143.7                    | 93.1              | 146.9                    | 95.2              | 152.4                    | 153.6                    | 156.2                    | 160.5                    |
| Local area support costs                    | 181.9                        | 159.3                  | 135.7             | 212.9                  | 77.2            | 164.9                    | 138.7             | 202.4                    | 142.0             | 208.5                    | 214.8                    | 221.2                    | 227.8                    |
| Corporate support costs                     | 175.3                        | 193.5                  | 156.9             | 254.2                  | 97.3            | 225.8                    | 160.3             | 278.0                    | 164.1             | 286.3                    | 294.9                    | 303.7                    | 312.8                    |
| Indirect costs                              | 168.8                        | 172.8                  | 244.5             | 255.3                  | 10.9            | 221.6                    | 249.7             | 224.0                    | 255.8             | 235.7                    | 237.9                    | 238.7                    | 251.6                    |
| Preventative maintenance                    | 222.8                        | 233.3                  | 247.8             | 290.8                  | 43.0            | 274.3                    | 253.2             | 164.8                    | 259.4             | 170.1                    | 174.7                    | 178.9                    | 185.2                    |
| Labour                                      | 67.7                         | 68.2                   | 70.9              | 69.8                   | (1.1)           | 77.6                     | 72.5              | 46.0                     | 74.4              | 47.4                     | 48.8                     | 50.2                     | 51.7                     |
| Contractors                                 | 13.9                         | 19.9                   | 14.2              | 19.2                   | 5.0             | 11.7                     | 14.5              | 11.7                     | 14.9              | 12.1                     | 12.4                     | 12.7                     | 13.1                     |
| Materials                                   | 2.4                          | 2.4                    | 4.3               | 3.1                    | (1.2)           | 2.0                      | 4.4               | 2.0                      | 4.5               | 2.0                      | 2.1                      | 2.1                      | 2.2                      |
| Other                                       | 2.0                          | 3.6                    | 5.6               | 18.1                   | 12.5            | 2.9                      | 5.7               | 2.9                      | 5.9               | 3.0                      | 3.1                      | 3.2                      | 3.3                      |
| Local area support costs                    | 57.2                         | 41.7                   | 47.4              | 55.1                   | 7.7             | 53.5                     | 48.4              | 32.2                     | 49.6              | 33.1                     | 34.1                     | 35.2                     | 36.2                     |
| Corporate support costs                     | 48.8                         | 52.1                   | 54.8              | 70.3                   | 15.5            | 73.8                     | 56.0              | 43.7                     | 57.3              | 45.0                     | 46.3                     | 47.7                     | 49.2                     |
| Indirect costs                              | 30.9                         | 45.5                   | 50.6              | 55.2                   | 4.6             | 52.7                     | 51.6              | 26.3                     | 52.9              | 27.5                     | 27.9                     | 27.8                     | 29.5                     |
| Corrective maintenance                      | 50.5                         | 65.8                   | 49.7              | 27.5                   | (22.3)          | 117.2                    | 50.8              | 92.9                     | 52.0              | 95.7                     | 98.4                     | 100.8                    | 104.1                    |
| Labour                                      | 8.2                          | 10.6                   | 8.5               | 1.4                    | (7.1)           | 25.8                     | 8.7               | 19.1                     | 9.0               | 19.7                     | 20.3                     | 20.9                     | 21.5                     |
| Contractors                                 | 22.6                         | 25.7                   | 12.0              | 21.0                   | 9.0             | 17.6                     | 12.3              | 17.6                     | 12.5              | 18.1                     | 18.6                     | 19.1                     | 19.6                     |
| Materials                                   | 2.4                          | 5.5                    | 8.0               | -                      | (8.0)           | 11.7                     | 8.1               | 11.7                     | 8.3               | 12.1                     | 12.4                     | 12.7                     | 13.1                     |
| Other                                       | 1.1                          | 1.2                    | 2.8               | 1.2                    | (1.6)           | 2.0                      | 2.8               | 2.0                      | 2.9               | 2.0                      | 2.1                      | 2.1                      | 2.2                      |
| Local area support costs                    | 5.4                          | 13.6                   | 5.7               | 1.2                    | (4.5)           | 18.1                     | 5.8               | 13.4                     | 6.0               | 13.8                     | 14.2                     | 14.6                     | 15.1                     |
| Corporate support costs                     | 6.8                          | 0.8                    | 6.6               | 1.5                    | (5.1)           | 24.5                     | 6.7               | 18.1                     | 6.9               | 18.7                     | 19.3                     | 19.8                     | 20.4                     |
| Indirect costs                              | 4.0                          | 8.4                    | 6.1               | 1.1                    | (5.0)           | 17.5                     | 6.2               | 10.9                     | 6.4               | 11.4                     | 11.6                     | 11.5                     | 12.3                     |
| <b>Operating costs total</b>                | <b>1319.2</b>                | <b>1451.7</b>          | <b>1406.7</b>     | <b>1750.7</b>          | <b>344.0</b>    | <b>1738.8</b>            | <b>1438.0</b>     | <b>1723.6</b>            | <b>1471.9</b>     | <b>1792.3</b>            | <b>1848.2</b>            | <b>1905.7</b>            | <b>1982.4</b>            |
| <b>Annuity-funded costs</b>                 |                              |                        |                   |                        |                 |                          |                   |                          |                   |                          |                          |                          |                          |
| Labour                                      |                              | 151.5                  | 26.6              | 23.6                   | (3.0)           | 64.0                     | 14.4              | 144.0                    | 37.3              | 267.2                    | 188.6                    | 112.6                    | 80.3                     |
| Contractors                                 |                              | 524.4                  | 199.6             | 176.8                  | (22.8)          | 1094.7                   | 246.2             | 266.6                    | 69.0              | 180.2                    | 206.5                    | 122.9                    | 87.5                     |
| Materials                                   |                              | 18.3                   | -                 | -                      | -               | 141.6                    | 31.9              | 266.6                    | 69.0              | 180.2                    | 206.5                    | 122.9                    | 87.5                     |
| Other                                       |                              | 13.8                   | 2.1               | 1.8                    | (0.2)           | 19.4                     | 4.4               | 86.4                     | 22.4              | 160.0                    | 112.6                    | 67.1                     | 47.7                     |
| Local area support costs                    |                              | 82.8                   | 14.8              | 13.1                   | (1.7)           | 43.3                     | 9.7               | 100.8                    | 26.1              | 187.1                    | 132.0                    | 78.8                     | 56.2                     |
| Corporate support costs                     |                              | 109.6                  | 26.4              | 23.4                   | (3.0)           | 60.8                     | 13.7              | 136.8                    | 35.4              | 253.9                    | 179.2                    | 107.0                    | 76.3                     |
| Indirect costs                              |                              | 105.3                  | 20.6              | 18.2                   | (2.3)           | 43.5                     | 9.8               | 82.4                     | 21.3              | 155.3                    | 108.1                    | 62.3                     | 45.8                     |
| <b>Annuity-funded total<sup>1</sup></b>     | <b>186.2</b>                 | <b>1005.7</b>          | <b>290.1</b>      | <b>257.0</b>           | <b>(33.1)</b>   | <b>1467.4</b>            | <b>330.0</b>      | <b>1083.7</b>            | <b>280.5</b>      | <b>1383.9</b>            | <b>1133.4</b>            | <b>673.5</b>             | <b>481.3</b>             |
| <b>Total costs<sup>2</sup></b>              | <b>1505.4</b>                | <b>2457.4</b>          | <b>1696.8</b>     | <b>2007.7</b>          | <b>310.8</b>    | <b>3206.2</b>            | <b>1768.1</b>     | <b>2807.3</b>            | <b>1752.4</b>     | <b>3176.2</b>            | <b>2981.6</b>            | <b>2579.3</b>            | <b>2463.7</b>            |

1. The 2018/19 costs reflect the QCA's 2020–24 irrigation price investigation final recommendations, which included adjustments to Sunwater's actual costs. Sunwater has provided cost information at the lowest level of granularity available.

2. Excludes recreational facility costs from 2020/21.



## Appendix 3—Comparison of forecast and actual annuity-funded projects for 2020/21

The below table sets out the major annuity-funded projects planned for the Upper Condamine Bulk Water Service Contract in 2020/21<sup>4</sup> and the actual projects undertaken.

| Facility             | Activity description  | Forecast<br>\$'000 | Actual<br>\$'000 | Commentary  |
|----------------------|---|--------------------|------------------|---|
| North Branch         | Refurbish – reprofile and remove debris.  | 56                 | 0                | This project was no longer required.  |
| Yarramalong Weir     | Refurbish – cap the sheet piling at the weir with concrete.                         | 205                | 0                | Sunwater deferred this project as the weir is in a reasonable condition. The condition of the sheet piling will be reassessed at the next five-yearly comprehensive inspection.   |
| Scheme               | Replace – customer meters.  | 40                 | 36               | This project was delivered under budget due to savings achieved from a competitive tender process.  |
| Scheme               | Study – asset revaluation.  | 38                 | 0                | This project was not undertaken as part of the annuity-funded program of works.   |
| Lemon Tree Weir      | Refurbish – rock mattresses and gabions at the toe of the Lemon Tree Weir spillway. | 60                 | 24               | Costs incurred relate to the development of design drawings and specifications. The remainder of the project was carried over to 2021/22 due to site access issues.   |
| Leslie Dam           | Replace – gate ram piston seals.  | 37                 | 1                | This project was deferred to 2021/22.   |
| Leslie Dam           | Replace – trash rack guides with aluminium.   | 37                 | 4                | This project was deferred to 2021/22.   |
| Multiple             | Various projects.   | 178                | 123              | The cost variance was primarily driven by the following factors: <ul style="list-style-type: none"> <li>savings achieved due to a competitive tender process for sand blasting and re-galvanising trash racks (\$8k less)</li> <li>the removal of three projects as works were not required or were undertaken as part of corrective works (\$48k less)</li> <li>the contingency budget of \$32k not being required within the service contract.</li> </ul> |
| Multiple             | Various projects.   | 0                  | 68               | Most of this expenditure related to emergency works required to maintain customer supply. Sunwater spent \$43k to refurbish pump unit 1 at Yarramalong pump station and \$15k to replace an inlet valve actuator at Yarramalong Weir.   |
| <b>2020/21 Total</b> |   | <b>651</b>         | <b>257</b>       |   |

<sup>4</sup> Based on information extracted from Sunwater's systems in mid-2020. See the 2021/22 S&PP at [www.sunwater.com.au/schemes/Upper-Condamine/](http://www.sunwater.com.au/schemes/Upper-Condamine/)

## Appendix 4—Annuity-funded projects for 2022/23 to 2026/27

The below table sets out Sunwater’s currently planned annuity-funded projects for the 2022/23 to 2026/27 period 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.

| Year    | Facility             | Activity description  | Forecast<br>\$'000 |
|---------|----------------------|---|--------------------|
| 2022/23 | Scheme               | Replace – customer meters based on known asset condition and age. Requirement and timing to be reviewed based on legislative timeframes yet to be defined by DRDMW.   | 220                |
|         | Melrose Weir         | Refurbish – access road based on known asset condition and age.   | 24                 |
|         | Leslie Dam           | Refurbish – upstream rip rap on the saddle dam based on the comprehensive risk assessment report.   | 392                |
|         | Leslie Dam           | Refurbish – paint upstream face gates 6 and 7 based on known asset condition and age.   | 211                |
|         | Lemon Tree Weir      | Refurbish – downstream toe protection works based on known condition and risk.  | 72                 |
|         | Multiple             | There are seven other annuity-funded projects planned for 2022/23 related to replacing the supervisory control and data acquisition (SCADA) computer at Leslie Dam and electrical testing; installing a new headwater gauge upstream of the dam; updating lighting in the Leslie Dam gallery; an options analysis for local control system and replacement switchboards at Yarramalong Weir; and sign replacements. | 164                |
|         | <b>2022/23 Total</b> |   | <b>1084</b>        |
| 2023/24 | Leslie Dam           | Study – comprehensive inspection based on regulatory requirements and to better understand asset condition and risk.  | 159                |
|         | Leslie Dam           | Replace – gate valve 4 with a butterfly valve based on known asset condition and age.   | 177                |
|         | Scheme               | Replace – customer meters based on known asset condition and age. Requirement and timing to be reviewed based on legislative timeframes yet to be defined by DRDMW.   | 394                |
|         | Leslie Dam           | Study – options to investigate conduit inspection to mitigate a known safety risk.  | 56                 |
|         | Leslie Dam           | Refurbish – three cone valves based on known condition.   | 112                |
|         | Yarramalong Weir     | Replace – control system and switchboard at Yarramalong Weir.   | 416                |
|         | Multiple             | There are two other annuity-funded projects planned for 2023/24 related to valve and actuator refurbishments at Lemon Tree Weir and an options study to determine the long-term viability of the standby control system at Leslie Dam.  | 69                 |
|         | <b>2023/24 Total</b> |   | <b>1384</b>        |
| 2024/25 | Yarramalong Weir     | Refurbish – sheet piling based on known asset condition and age.  | 255                |
|         | Leslie Dam           | Replace – gantry crane control equipment based on known asset condition and age.  | 208                |

| Year    | Facility             | Activity description  | Forecast<br>\$'000 |
|---------|----------------------|---|--------------------|
|         | Leslie Dam           | Replace – gate valves 2 and 3 with a butterfly valve based on known asset condition and age.  | 364                |
|         | Melrose Weir         | Refurbish – crest profile (cracks, sinkholes) based on known asset condition and age.   | 107                |
|         | Talgai Weir          | Refurbish – left spillway wall (displacement) based on known asset condition and age.   | 107                |
|         | Multiple             | There are four other annuity-funded projects planned for 2024/25 consisting of refurbishing the bulkhead gate guides at Leslie Dam; electrical system refurbishments; upgrading the gantry crane's electrical system switching gear, conduit, and external switches; foundation drain cleaning; and SCADA computer replacement at Yarramalong pump station. | 92                 |
|         | <b>2024/25 Total</b> |   | <b>1133</b>        |
| 2025/26 | Leslie Dam           | Replace – gate valve 5 with a butterfly valve based on known asset condition and age.   | 174                |
|         | Leslie Dam           | Replace – gate valve 6 with a butterfly valve based on known asset condition and age.   | 174                |
|         | North Branch         | Refurbish – reprofile and remove debris based on known asset condition and age.   | 79                 |
|         | Yarramalong Weir     | Refurbish – pump unit No. 1 based on known asset condition and age.   | 61                 |
|         | Leslie Dam           | Refurbish – guard valves 1 and 2 on the irrigation outlet based on condition.   | 92                 |
|         | Multiple             | There are three other annuity-funded projects planned for 2025/26 related to an asset valuation; a study into refurbishing the uninterruptible power supply at Leslie Dam; and replacing gauging station equipment.   | 94                 |
|         | <b>2025/26 Total</b> |   | <b>674</b>         |
| 2026/27 | Leslie Dam           | Replace – gate valve 1 with a butterfly valve based on known asset condition and age.   | 193                |
|         | North Branch         | Refurbish – reprofile and remove debris based on known asset condition and age.   | 78                 |
|         | Minor weirs          | Study – seven comprehensive inspections based on asset management standards and to better understand asset condition and risk.  | 66                 |
|         | Lemon Tree Weir      | Refurbish – access road based on known condition.   | 31                 |
|         | Leslie Dam           | Refurbish – gantry crane following the 10-year assessment.  | 27                 |
|         | Leslie Dam           | Replace – control building fire system based on condition and age.  | 54                 |
|         | Multiple             | There are three other annuity-funded projects planned for 2026/27 related to fence replacements at Leslie Dam; valve replacements at Yarramalong pump station; and small gate valve replacements at Leslie Dam.   | 31                 |
|         | <b>2026/27 Total</b> |   | <b>481</b>         |

## Contact us

To have your say and shape future Service and Performance Plans, please contact us via email or post:

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