



# **Cedar Pocket Water Supply Scheme**

# Scheme submission to QCA 2025-2029



# Contents

1.	Intro	duction .		3					
	1.1.	Review	context	3					
2.	Sche	me deta	ils	3					
	2.1.	Schem	e background and context	3					
	2.2.	Infrast	ructure details	3					
	2.3.	Custon	ner service standards	3					
	2.4.	2.4. Customers and water entitlements serviced							
	2.5.	Water a	availability and use	4					
		2.5.1. 2.5.2.	Water availability Water use	4					
3.	Irriga	ation cus	stomer consultation	5					
	3.1.	Regula	r irrigation customer surveys	6					
	3.2.	Custon	ner consultation to support the submission to the QCA	7					
4.	Fina	ncial Per	formance	8					
	4.1.	Operat	ing expenditure	8					
		4.1.1. 4.1.2. 4.1.3. 4.1.4. 4.1.5.	Overview 2020 -2023 price path cost/QCA cost target comparison to actual 2023-24 base year Step changes 2025-29 operating expenditure forecast						
	4.2.	Renewals							
		4.2.1. 4.2.2.	Asset Restoration Reserve Renewals expenditure	12 13					
	4.2.2	2.1.	2018-2023 renewals	13					
	4.2.2	2.2.	2023-25 forecast renewals	13					
	4.2.2	2.3.	2025-2029 forecast renewal expenditure	14					
5.	Tota	l costs a	nd proposed prices	15					
Арре	endix 1	: Cedar F	Pocket WSS service targets						



# 1. Introduction

## 1.1. Review context

Under a Referral Notice issued on the 10th of March 2023 by Treasurer and Minister for Trade and Investment, the Queensland Competition Authority (QCA) has been directed to recommend irrigation prices for the Cedar Pocket Water Supply Scheme (the Scheme) for the four-year regulatory period from 1 July 2025 to 30 June 2029. Prices are to recover the efficient operating, maintenance and administration costs, an annuity to recover renewals expenditure and if relevant, prudent and efficient augmentation capital expenditure.

# 2. Scheme details

# 2.1. Scheme background and context

The Cedar Pocket Water Supply Scheme was established following the construction, in 1985, of the Cedar Pocket Dam to provide irrigation water for the local dairy industry.

The Scheme is regulated under the Cedar Pocket Water Supply Scheme Resource Operations Licence (ROL) amended on the 17 October 2022 and the Cedar Pocket Water Supply Scheme Operations Manual that was issued in April 2021. The Scheme consists of bulk water supply assets only. The Scheme has no distribution systems, with all irrigators taking their water supply directly from the natural water courses. Releases from the Dam are made manually.

The water year runs from 1 July to 30 June.

The Scheme consists of one tariff group, "Cedar Pocket Dam".

## 2.2. Infrastructure details

The table below sets out the bulk water assets, owned and operated by Seqwater, that comprise the scheme.

Table 1	Bulk water	assets
---------	------------	--------

Dams	Weirs	Off-stream storages	Other bulk water assets		
Cedar Pocket Dam	Nil	Nil	Downstream measuring flume, customer water meters		

### 2.3. Customer service standards

The current service standards for the Scheme are attached in Appendix 1.

Seqwater publishes an annual Scheme Performance Report (SPR) for each scheme, including the Cedar Pocket WSS. This was previously known as the Network Service Report (NPR). Current and prior year SPRs



and NPRs are published on Seqwater's website, with a separate webpage for each scheme. A report against the service standards has been included in the SPR (and formerly the NPR) since 2020-21. Prior years' service target reports are published on the Cedar Pocket WSS scheme page in the Service Targets section.

# 2.4. Customers and water entitlements serviced

The following table sets out the ownership of water allocations by class of owner.

Customer type	Number of customers	Medium priority volume (ML)
Irrigation	12	490
Other	1	5
Totals	13	495

# 2.5. Water availability and use

## 2.5.1. Water availability

The announced allocation determines the percentage of nominal water allocation volume that is available in each water year. However, it should be noted that, under the Operations Manual, in a water year in which Cedar Pocket Dam overflows, customers may take up to 200% of their nominal allocations.

The following table sets out the announced medium priority (MP) allocations for the current year plus the historical announced allocation from 2007-08.

Year	MP %	Year	MP %	Year	MP %
2007-08	38-100	2013-14	100	2019-20	100
2008-09	100	2014-15	99-100	2020-21	84-100
2009-10	100	2015-16	100	2021-22	96-100
2010-11	100	2016-17	100	2022-23	100
2011-12	100	2017-18	96	2023-24	70
2012-13	100	2018-19	100		

#### Table 3 Announced allocations history

### 2.5.2. Water use

Figure 1 below shows the actual water usage per year from 2003-04. Also shown is the usage assumption adopted by the QCA for the 2013-17 (extended to 2019) and the 2020-24 price path periods, which was 395 ML or 80% of nominal water allocations and 298ML or 60% of nominal water allocations (respectively). The QCA's usage assumption has been extrapolated to prior years for comparison purposes only.



Also shown is average actual water usage over 2003-04 through to 2022-23 (301ML), which is used to derive forecast of usage over the price period 2025-29. The usage forecast is subsequently used to calculate Cedar Pocket's proposed variable Part B prices.



Figure 1 Annual Scheme water usage

# 3. Irrigation customer consultation

Seqwater is committed to putting its customers first and providing quality experiences. Seqwater partners with its customers to deliver innovative and sustainable outcomes, creating value for customers and Southeast Queensland.

Seqwater recognises the importance of effective customer engagement across all aspects of providing irrigation services. It has sought to embed this into business-as-usual activities, which also means that a more targeted, meaningful engagement has been undertaken as part of this QCA price review.

For many years, Seqwater has held annual customer forums, where all customers are invited to hear about how Seqwater is managing the irrigation schemes, and to ask questions and provide feedback.

Since the last price review, Seqwater has also formally established Customer Reference Groups (CRGs) for each of our water supply schemes to provides a more formal framework building on the collaborative partnership that had already been established. The membership consists of a broad cross-section of customers within the scheme with the membership and functions of the CRG governed by the Terms of Reference<sup>1</sup>. The CRG provides a forum for Seqwater to regularly consult with the small group with whom



it can share matters of detail and seek feedback from the members on what matters most to them and how best to share information with the wider scheme customers.

## **3.1. Regular irrigation customer surveys**

Seqwater has been inviting customers to participate in annual surveys since 2019. Over this time, it has seen an increase in engagement with more customers participating in the survey each year. It has also observed an increase in its Net Promoter Score (NPS)<sup>1</sup> as well as Satisfaction and Trust scores. Since 2020, Irrigation NPS has formed part of Seqwater's organisational Key Performance Indicators.

The NPS for the current year, 2023, was 6, which is a significant increase from the first year (2019) when it was -81.

Over the years Seqwater has asked specific questions relating to pricing and satisfaction with current service levels. In 2020, following the 2020-24 price review customers were asked if they have any suggestions for Seqwater to improve ongoing engagement. The question asked was:

"During the last price path period, Seqwater engaged and connected with our customers through forums, information bulletins (email & post) and held meetings with our Customer Information Working Groups in the various schemes.

The Qld Competition Authority recommended in their Final Report for the 2020-24 Irrigation Price Review that Seqwater look at improving our ongoing engagement with customers. Do you have any further suggestions for us?"

Out of 36 responses received in total to this question, 11 customers responded "No suggestions" and the remainder of customers provided this feedback:

- "Keep up the communication"
- "Keep up the good work of servicing our few concerns"
- "Keep doing what you are doing"
- "Keep customer reference group meetings twice per year"
- "Encourage more customers to attend yearly meetings of irrigators"
- "It's all working well"
- "Communications have improved over the last years".

Seqwater used this feedback to build on the foundations that it had already started to build and continued listening to customers and ensuring all communications are targeted, based on what customers need to know to make it easier for them to do business. This included ensuring the agendas for the annual forums include the information that the customers want, for example, temporary transfers, forecast storage balances and announced allocations, weather forecasts, usage statistics, capital projects and day to day operational challenges and successes. Customer feedback at these forums has been exceptional with

<sup>&</sup>lt;sup>1</sup> The Net Promoter Score is based on responses to the question "Taking everything into account, on a scale from 0 to 10 (0 being highly dissatisfied and 10 being highly satisfied), how likely are you to speak positively about Seqwater?" NPS is calculated by subtracting the percentage of detractors (scores 0-6) from the percentage of promoters (scores 9-10).



customers saying they are informative sessions that are 'hitting the mark' based on what they are interested in hearing.

This feedback also confirmed that the level of consultation with customers regarding past price reviews was meeting their expectations.

#### How has Seqwater used feedback to improve customer experience?

The addition of surveys and regular meetings with the CRGs to the Annual Forums ensures that Seqwater has multiple avenues to receive feedback from customers on how to improve customer experience. Improvements implemented since the last irrigation price review include:

- Customer Connect a free online marketplace for buyers and sellers to interact
- Water Accounting Statements
- Self-Executing Contracts
- New Water Accounting System with Online Customer Portal (in development)
- Regular customer newsletters
- Agent Form (Act as an Authority)
- SMS messaging
- Implemented a suite of proactive messaging in relation to invoicing; for example, look out for your invoice it has just been sent by email, reminder that your invoice is due.

## 3.2. Customer consultation to support the submission to the QCA

In developing its submission Seqwater has worked collaboratively with its irrigation customers with a view to secure customer endorsement of proposed cost targets and price outcomes in accordance with the Referral Notice and policy constraints.

To achieve this outcome, Seqwater undertook a transparent and comprehensive three phase consultation process from which agreed actions from the engagement were directly fed into the development of the pricing proposal. The CRG has played a central role in this price review, and Seqwater is grateful for the active participation of customers whose input has allowed it to test its pricing proposals, leading to a robust price submission. Many customers have expressed their appreciation for Seqwater's proactive approach and its commitment to keeping them informed and involved.

#### Phase 1: Listen and Learn (March – May 2023)

The first phase of the engagement process included:

- a customer forum held in February 2023 where all customers were invited;
- a survey, sent to customers via email, preceded by an SMS inviting them to participate in the survey; and
- a CRG meeting.

At the customer forum, Seqwater outlined how irrigation prices are set, how the pricing proposal was being developed and where customers could provide value and influence in the proposal. It also sought feedback from customers on the current level of service and what they wanted out of the price review.

During this first phase, customers in the Cedar Pocket WSS told us that they:



- want a continuation of the Community Service Obligation (CSO)
- were not interested in specific cost allocation and pricing methodologies
- are interested in bottom line prices
- want water security and efficiency
- are keen to understand drivers for any significant repair and maintenance works and
- would like an online water accounting portal to manage their water allocations.

#### Phase Two: Draft Costs and Prices (September 2023)

Phase 2 of the engagement was sharing Seqwater's first draft of its proposed costs and prices. A key part of this engagement was sharing this information with customers in a simple, clear and accessible way, clearly articulating the key cost drivers, to ensure they were well equipped to provide meaningful feedback.

Seqwater met with the CRG first in September 2023, where it went through in detail all the components that make up the costs, including operational expenditure, historical water usage, capital expenditure, key cost drivers and the proposed prices, as well as reviewing actual expenditure in the current price path period to date.

The CRG asked for Seqwater to confirm that:

- any costs from dam safety upgrades have been excluded from the maintenance costs in 2022-23;
- no major changes to prices are proposed for this price review, i.e., maintaining the same fixed/variable split and a water usage assumption based on the 20-year average.

Seqwater provided confirmation of each of these matters.

The customers in Cedar Pocket had no objections to the draft proposed costs and prices.

#### Phase 3: Respond to customer feedback and confirm final costs and prices (November 2023)

The final phase of this price review was undertaken in November 2023. Seqwater provided responses to questions raised in Phase 2 to a combined CRG and Customer Forum meeting and presented the final proposed costs and prices that will be included in its submission to the QCA. The Cedar Pocket CRG confirmed it was satisfied with the consultation process and had no objections to the proposed costs in the final submission.

# 4. Financial Performance

## 4.1. **Operating expenditure**

### 4.1.1. Overview

Over the current price path (2020-21 to 2023-24), Seqwater's actual expenditure (2020-21 to 2022-2023) has been broadly in line with the QCA's recommended operating expenditure allowance for the Scheme, with the exception of:

• an increase in council rates; and



 an increase in the costs to undertake 20-year dam safety inspection in 2021-22. This was the most significant increase, with actual expenditure \$271,788 above the level reflected in the forecast used to set prices.

The increase in council rates is beyond Seqwater's control.

In October 2020 the Department of Natural Resources, Mines and Energy released its Dam Safety Management Guideline. This guideline requires 20-year dam safety inspections to be carried out by an independent RPEQ<sup>2</sup> engineer. In accordance with the updated guideline in 2021–22 we engaged an independent RPEQ engineer to carry out the 20-year inspection of Cedar Pocket Dam at a cost of \$300,957. The QCA allowance for this inspection was \$29,169 based on the assumption that we would undertake the inspection inhouse.





The next section provides more detail on differences between actual and forecast expenditure between 2020-21 and 2022-23, before presenting forecast expenditure for the 2025-29 price path period.

### 4.1.2. 2020 - 2023 price path cost/QCA cost target comparison to actual

Table 4 compares actual costs against the forecast operating costs set as a cost target by the QCA for the 2020-24 price path period.

<sup>&</sup>lt;sup>2</sup> Registered Professional Engineer of Queensland



Operating Cost Category	2020-21 QCA Cost Target	2020-21 Actual	2021-22 QCA Cost Target	2021-22 Actual	2022-23 QCA Cost Target	2022-23 Actual
Direct Costs						
Labour	63,734	55,135	65,327	72,077	67,123	63,390
Electricity fixed	375	560	381	492	387	398
Repairs & maintenance	15,115	7,252	15,473	17,199	15,882	12,362
Other	26,658	12,960	27,264	17,593	27,963	34,154
Local government rates	6,928	23,433	7,080	23,480	7,257	22,502
Dam safety inspection	0	0	29,169	300,957	0	2,350
Insurance	63,734	55,135	65,327	72,077	67,123	63,390
Total Direct Costs	112,810	99,340	144,695	431,798	118,613	135,156
Indirect Costs						
Operations	2,077	2,809	2,123	15,528	2,176	3,421
Non- infrastructure	7,008	6,797	7,162	7,073	7,341	7,073
Total Indirect Costs	67,062	51,442	68,538	212,199	70,251	67,817
Total Operating Costs	179,872	150,782	213,232	643,997	188,864	202,973

 Table 4
 FY2020-FY2023 operating expenditure QCA cost targets and actual costs (\$Nominal)

As mentioned above expenditure in this scheme over the last five years has been broadly in line with the QCA cost targets with the exception of local government rates and the 20-year dam safety inspection. Variances between QCA cost target and actual expenditure have been explained to customers and are contained in the annual SPR. A summary of the variances is as follows:

- Local authority rates were 243% higher than forecast. This was due to the local council making changes to the differential rate classification by the council
- In 2021-22, due to new dam safety obligations, Seqwater was required to outsource major dam safety inspections, resulting in a much higher cost than forecast. Previously, Seqwater was able to insource these inspections.

### 4.1.3. 2023-24 base year

We have adopted a base-step- trend approach to derive our proposed operating expenditure for the 2025-29 price path period. This is consistent with past practice and the QCA's Guideline for this review<sup>3</sup>. Also consistent with the approach applied in previous QCA price reviews, and as required under the terms of the Referral Notice, the QCA is to have regard to the findings of its most recent prudency and efficiency assessment of Seqwater's bulk water prices (the 2022-26 bulk water price review).

Seqwater's base year operating expenditure is 2023-24, derived by escalating actual 2022-23 operating expenditure by the RBA's forecast inflation rate for 2023-24, which is 3.5 per cent<sup>4</sup>, except for labour costs, which are based on our 2023-24 corporate budget. It has excluded costs for recreation activities as required by the Referral Notice.

<sup>&</sup>lt;sup>3</sup> Queensland Competition Authority (2023). Guidelines for Pricing Proposals: Rural Irrigation Price Review 2025-29, March.

<sup>&</sup>lt;sup>4</sup> RBA, Statement on Monetary Policy, August 2023, Chapter 5 Economic Outlook



Table 5 details the proposed 2023-24 base year expenditure as allocated to the Scheme.

# Table 5 Proposed 2023-24 base year operating expenditure compared to the QCA's recommended cost target 2023-24 - Cedar Pocket WSS (\$Nominal)

Cost category	QCA cost target 2023-24	Seqwater Base year 2023-24	Rationale for Base year forecast	
Direct				
Labour	68,955	81, 580	Based on actual time allocation budget for 2023-24	
Electricity	393	412	2022-23 actual plus 3.5%	
Repair & Maintenance	28,679	12,795	2022-23 actual plus 3.5%	
Other	16,299	27,823	<ul> <li>\$11,908 water quality testing - 2022-23 actuals plus 3.5%</li> <li>\$15,196 plant and fleet costs (<i>increased costs to operate fleet vehicles</i>) - 2022-23 actuals plus 3.5%</li> <li>\$209 minor materials and consumables - 2022-23 actuals plus 3.5%</li> <li>\$8,073 fuels and oils (<i>higher cost of fuel</i>) - 2022-23 actuals plus 3.5%</li> </ul>	
Rates	7,593	23,064	Based on 2022-23 actual plus 2.5%	
Dam safety	2,822	2,515	Based on dam safety program	
Insurance	7,524	13,074	Asset valuations updated since previous price review, increase in insurance costs	
Total direct	132,075	161,533		
Indirect				
Water Accounting System		337	Scheme share of annual licence fee for new water accounting system and customer online portal (total \$25,000)	
Operations	62,253	50,337	Indirect costs based on the indirect allocators.	
Non-infrastructure 2,230 3,816		3,816		
Total indirect	64,483	54,490		
Total proposed operating expenditure	196,558	216,024		

### 4.1.4. Step changes

The key step change we are proposing for the 2025-29 price path period are the \$42,231 (real 2023-24 dollars) costs associated with a 5-yearly dam safety inspection forecast for 2025-26.

## 4.1.5. 2025-29 operating expenditure forecast

In preparing these operating cost forecasts, Seqwater derived base year operating expenditure for 2023-24 in accordance with approach set out above. These costs were then escalated by an allowance for CPI and



projected forward to 2025-26 to 2028-29. Consistent with the referral notice, costs associated with the management of recreation activities were removed.

The following table sets out the forecast operating costs for the scheme for 2025-26 to 2028-29.

One set in a set of the set	2025-26	2026-27	2027-28	2028-29	
Operating cost category	Budget	Budget	Budget	Budget	
Direct costs					
Labour	86,086	88,117	90,197	92,325	
Electricity	431	441	451	462	
Repairs & Maintenance	13,508	13,855	14,201	14,545	
Other	29,442	30,235	31,013	31,776	
Local government rates	24,469	25,162	25,833	26,479	
Dam safety inspection	47,471	2,743	2,816	2,887	
Insurance	14,415	15,135	15,892	16,687	
Total direct costs	215,822	175,688	180,403	185,161	
				Indirect costs	
Water Accounting System	358	368	378	387	
Operations	53,402	54,915	56,380	57,789	
Non-infrastructure	4,049	4,163	4,274	4,381	
Total indirect costs	57,809	59,447	61,032	62,558	
Total proposed operating expenditure	273,630	235,135	241,436	247,718	

Table 6 Operating costs budget for 2025-26 to 2028-29 - Cedar Pocket WSS (\$Nominal)

# 4.2. Renewals

## 4.2.1. Asset Restoration Reserve

The renewals annuity includes the calculation of an Asset Restoration Reserve (ARR), which acts like a notional bank account for the Scheme based on:

- actual renewals expenditure for the Scheme, compared to
- revenue received from the Scheme for the renewals annuity allowance that was used to set prices.

A 2017 quality assurance review by Indec of Seqwater's ARR methodology found that for customers in schemes that supplied both high priority urban and medium priority irrigation users, Seqwater's ARR balances had been confusing to interpret. For the 2025-29 price path period, Seqwater has continued the similar approach to 2020-24 to calculate and report the ARRs for the irrigation share only. This is provided in the table below.



Asset Restoration Reserve	2019-20 Actual	2020-21 Actual	2021-22 Actual	2022-23 Actual	2023-24 Estimate	2024-25 Estimate
Opening Balance 1 July	89,261	107,766	106,943	-155,991	-161,278	-167,172
Interest for year	5,534	4,712	4,676	-6,820	-7,051	-7,309
Revenue for year	12,972	4,869	4,861	4,853	4,883	5,029
Expenditure for year - non-metering	0	-10,404	-272,470*	-3,320	-3,725	0
Expenditure for year - metering	0	0	0	0	0	0
Closing Balance 30 June	107,766	106,943	-155,991	-161,278	-167,172	-169,452

#### Table 7 Cedar Pocket WSS Asset Restoration Reserve 2019-20 to 2024-25 (\$Nominal)

\* Includes a review event as mentioned previously

\*\* The interest rate is based on the QCA's recommended weighted average cost of capital (WACC) of 4.37% post-tax nominal.

## 4.2.2. Renewals expenditure

#### 4.2.2.1. 2018-2023 renewals

The following table sets out the renewals projects that were undertaken from 2018-2023. Actual expenditure is shown against QCA's renewal allowance for the scheme<sup>5</sup>.

Table 8 Renewals expenditure compared to QCA's allowance (ALW) 2018-19 to 2022-23 (\$Nominal)

2018-	19	2019-	·20	2020-	·21	2021	-22	2022-	23
QCA ALW	Actual	QCA ALW	Actual						
\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
-	9,307	50,000	-	-	10,404	-	272,470	19,570	3,320

In total, Seqwater's expenditure was \$225,000 above the QCA's total budget allowance.

Details of the renewals expenditure including explanations of variances from Seqwater's budget are set out in the annual network service plan for each year. The network service plans are published on Seqwater's website.

#### 4.2.2.2. 2023-25 forecast renewals

Forecast renewals expenditure for 2023-24 and 2024-25 is set out in the table below.

#### Table 9 Forecast renewals expenditure for 2023-24 and 2024-25 - Cedar Pocket WSS (\$Nominal)

2023-24 ren	ewals budget	2024-25 renewals budget		
Metering	Non-metering	Metering	Non-metering	
\$	\$	\$	\$	
-	3,725	-	-	

<sup>&</sup>lt;sup>5</sup> Sourced from the QCA pricing model.



#### 4.2.2.3. 2025-2029 forecast renewal expenditure

Forecast renewals expenditure for the next price path period of 2025-26 to 2028-29 is set out in the tables below.

2025-26		2026-27		2027-28		2028-29	
Metering	Non-metering	Metering	Non-metering	Metering	Non-metering	Metering	Non-metering
\$	\$	\$	\$	\$	\$	\$	\$
-	-	-	-	-	-	-	-

 Table 10: Forecast renewals expenditure for 2025-29 to 2028-29 (\$Nominal)

Seqwater is proposing a 30-year rolling annuity. Each year, the 30 year forecast rolls forward one year so that there is constantly a 30-year forecast of costs in the annuity calculation.

We consider our proposed renewals expenditure to be prudent and efficient as it has been developed under the same framework that is applied in planning and delivering our entire capital program, which was recently assessed by the QCA as prudent and efficient in the 2022-26 bulk water price review. Our approach is consistent with the terms of the Referral Notice and the QCA's Guideline and where appropriate, has also involved consultation with relevant customers in each scheme.

Proposed expenditure over the period 2025-26 to 2057-58 for the Cedar Pocket scheme is shown in the figure below. No capital projects are planned for Cedar Pocket WSS from 2025-26 through to 2032-33. A provision of \$34,405 in total has been allowed for capital projects between 2033-34 through to 2057-58.



#### Figure 3 Cedar Pocket renewals expenditure 2026-58 (\$ nominal)



# 5. Total costs and proposed prices

The cost recovery target for irrigation prices includes the components of a lower bound cost target such as the costs of operations, administration, maintenance, and renewals. Each of these components have been discussed in the sections above. Together they form the cost recovery target for irrigation prices.

The total maximum allowable revenue (MAR) is shown below.

Cost type	2025-26	2026-27	2027-28	2028-29
Direct operating costs	215,821	175,689	180,404	185,160
Indirect operating costs	57,809	59,447	61,032	62,558
Rolling Annuity	10,353	10,443	10,533	10,625
Revenue Offset	(1,410)	(1,450)	(1,489)	(1,526)
Maximum Allowable Revenue	282,573	244,128	250,480	256,817

#### Table 11: Total forecast maximum allowable revenue – Cedar Pocket WSS (\$Nominal)

Most of Seqwater's costs do not vary with water use and consequently the majority of costs are recovered through the fixed charge. Seqwater has calculated the prices needed to recover these costs over the price path period, assuming price smoothing to avoid unnecessary price volatility.

The table below sets out Cedar Pockets prevailing prices for 2024–25 (reflecting the continuation of the current price path) compared to our proposed cost-reflective prices and proposed prices in accordance with the terms of the Referral Notice for 2025–26.

<b>Table 12: Cedar Pocket</b>	proposed cost r	eflective water p	rices and prop	osed prices	2025-29 (	Nominal \$/ML)

	Actual Price	Proposed cost reflective price	Proposed Prices				
Tariff	2024-25	2025-26	2025-26	2025-27	2027-28	2028-29	
Part A	34.61	452.11	38.17	41.9	45.81	49.90	
Part B	46.81	85.36	48.10	49.42	50.78	52.18	



# **Appendix 1: Cedar Pocket WSS service targets**

These service targets were agreed at the Cedar Pocket Water Supply Scheme consultation forum held on 10 June 2014.

Sequater reports on performance against these targets in the annual Service and Performance Reports.

# **Planned shutdowns**

**Definition**: A planned shutdown occurs when customers' supply is interrupted or restricted due to the performance of work by Seqwater that is planned in advance.

In managing planned shutdowns, Seqwater recognises that the following are important service issues:

- That you will be notified about a shutdown so that you can plan ahead;
- The timing of the shutdown should suit most customers;
- The duration of the shutdown should minimise the impact on customers while enabling Seqwater to perform maintenance on the Scheme.

#### Planned shutdowns - timing target

The timing of all planned shutdowns will be set following consultation with the Irrigation Consultation Forum (for a shutdown affecting a large part of the scheme) or customer groups or individuals (for shutdowns effecting small areas).

#### Planned shutdowns – duration target

Seqwater will complete all planned shutdowns within the period notified to customers unless later varied by agreement with the groups originally consulted, or unless circumstances arise that are beyond Seqwater's control, such as adverse weather conditions.

#### **Planned shutdowns – notice target**

For shutdowns planned to exceed 2 weeks, 8 weeks written notice will be provided to each customer affected by the shutdown. A reminder notice will be sent 2 weeks before the commencement of the shutdown.

For shutdowns planned to exceed 3 days but are less than 2 weeks, at least 2 weeks written notice by letter, fax, telephone, text, email or verbal advice will be provided to each customer affected by the shutdown unless the shutdown is opportunistic in which case less than 2 weeks' notice may be given.

For shutdowns planned to be less than 3 days, at least 5 days' notice will be provided at least verbally to each customer affected.

Each notice will state the start date, and anticipated shutdown duration.

**Note:** A courtesy reminder may be placed in the local newspaper one week before the planned shutdowns commence.



# **Unplanned shutdowns**

**Definition:** An unplanned shutdown is an unforeseen or unplanned failure of Seqwater's water delivery infrastructure that stops or restricts the supply of water to a customer for more than 2 hours (including emergency repairs). It does not include events that are beyond Seqwater's control (e.g. power failure, or storm) and does not include interruptions to supply caused by errors in estimating water demand and releases, or the taking of water without authorisation.

#### **Unplanned shutdown – duration targets**

- Unplanned Shutdowns will be fixed so that at least partial supply can be resumed to those customers requiring water within 48 hours of Seqwater being notified of the event.
- Some events may interrupt supply greater than the above standard and are excluded from these targets. Seqwater will publish these events from time to time.

#### **Unplanned shutdown – notice target**

Seqwater will notify all affected customers requiring water verbally or by email, text, telephone, radio announcement or fax of the likely duration of the interruption to supply within 24 hours of learning of the event, or by the end of the first business day following the event, whichever is the earlier.

#### Unplanned shutdown - meter repairs target

Faults causing restrictions to supply will be repaired within one working day of Seqwater being notified.

# Frequency of interruptions to supply

No customer will experience more than 6 planned or unplanned interruptions per water year (as defined above).

# **Complaints**

Seqwater will provide an initial response to all complaints in writing, including email, or by telephone within 5 working days of receiving a complaint by the customer:

Seqwater will either resolve a customer's complaint or provide a written response providing reasons why the complaint has not or cannot be resolved within 21 days of receiving the complaint.