Irrigation Infrastructure Renewal Projections - 2013/14 to 2046/47
Report - Logan Tariff Group
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<td>6</td>
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</table>

Appendices

A  Water Supply Scheme Schematic
B  Renewal Projections
1. Introduction

Seqwater owns and operates the following seven irrigation schemes:

- Central Lockyer WSS;
- Lower Lockyer WSS;
- Logan River WSS;
- Mary River WSS;
- Cedar Pocket WSS;
- Warrill Valley WSS; and
- Central-Brisbane WSS.

Seqwater also owns and operates a distribution system, the Morton Vale Pipeline.

There are nine tariff groups associated with these schemes.

To assist with the determination of price paths, a forecast of future renewal expenditure is required at the individual tariff group level.

The renewal projections have been developed, in accordance with the scope and methodology separately documented in the Methodology report. The projections have been developed in separate reports, one for each tariff group.

This report outlines the projections for the Logan Tariff group. It should be read in conjunction with the Methodology report.
2. Asset Information

2.1 Irrigation Infrastructure

A summary of Seqwater’s irrigation infrastructure facilities and assets is provided in Table 1 below.

<table>
<thead>
<tr>
<th>WSS Scheme</th>
<th>Tariff Group</th>
<th>Dams</th>
<th>Weirs</th>
<th>Off-Stream Storage</th>
<th>Other Key Assets</th>
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<tbody>
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<td>Logan</td>
<td>Logan</td>
<td>Maroon Dam</td>
<td>Bromelton Weir</td>
<td>NA</td>
<td>Gauging Stations, Flowmeters</td>
</tr>
</tbody>
</table>

A schematic drawing of the scheme is provided in Appendix A.

2.2 Relevant Asset Information

The following existing information was reviewed and where relevant, utilised to develop the renewal projections:

- Asset Register;
- Annual, 5 Year and Comprehensive Dam Safety Reviews and Assessments;
- Draft WSS 20 Year Programme of Work 2008/09 – 2028/29;
- 2011 Site Safety Assessments;
- Extracts from Financial Asset Register;
- 2009 Asset Valuation – Cardnos;
- 2010 Asset Valuation – Dams & Weirs – Cardnos;
- Maroon Dam Facility Asset Management Plan 2012; and
- Business Case - Irrigation Customer Meters Renewal (SM 12/13 02).
3. Projections

3.1 Summary

A summary of the renewal and refurbishment projections for the period 2013/14 – 2046/47 is provided in Error! Reference source not found.. Further details are provided in Appendix B.

It should be noted that all values are in $2012-13.

3.2 Significant Projects

A list of projects that come under one of the following categories is provided in Table 2 below:

- Scheduled between 2013/14 and 2016/17 financial years and having a project value greater than the average project value for that period; and
- A project that has an impact on the annuity of greater than 10%.

Table 2 Significant Projects

<table>
<thead>
<tr>
<th>Asset</th>
<th>Description of Work</th>
<th>Timing of Work</th>
<th>Project Value</th>
<th>Signif.*</th>
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<tbody>
<tr>
<td>Maroon Dam</td>
<td>Refurbishment of gantry and hoist</td>
<td>2013/14</td>
<td>$40k</td>
<td>HAV</td>
</tr>
<tr>
<td>Maroon Dam</td>
<td>Replenishment of rip rap on dam wall embankment</td>
<td>2013/14</td>
<td>$40k</td>
<td>HAV</td>
</tr>
<tr>
<td>Water Meters</td>
<td>Water Meter Renewal Program</td>
<td>Annually, commencing 2013/14</td>
<td>$645k over 33 years</td>
<td>HAV</td>
</tr>
</tbody>
</table>

Notes: *Significance: HAV – Higher than Average Value (for period from 2013/14 to 2016/17) IA – Project was assessed in April 2012 (refer Footnote 1 below) as having an impact on the annuity of greater than 10% (refer Section 3.3 for commentary).

Footnote 1

The impact on annuity was assessed in April 2012 when version 1 of this report was produced. At that time, the water meter renewal program had not been fully developed and included in the assessment. An updated assessment of impact has not been undertaken in updating this current version 3 of the report.
### Table 3  Summary of Renewal Projections

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3.3 Additional Commentary

For some assets, the available asset data indicated the theoretical asset life was either expired or due to expire within the first four years. Where a site assessment was not able to verify the need to renew an asset within the first four years, the timing of the renewal was updated to occur beyond 2016/17 financial year. This was the case for the following assets:

- Maroon Dam electrical cables and cableways – useful life was extended based on assessment in FAMP.
- Maroon Dam fences and gates - useful life was extended based on assessment in FAMP.
- Maroon Dam ventilation ducting, fan and motor - useful lives were extended based on assessment in FAMP.

Commentary on projects that have a higher than average project value includes:

- Refurbishment of gantry and hoist at Maroon Dam according to condition and criticality assessment completed as part of the FAMP development process.
- Replenishment of rock rip rap on Maroon Dam embankment as assessed in Draft WSS 20 Year Programme of Work 2008/09 – 2028/29.

For the forecasted renewal expenditure between 2013/14 and 2016/17, values were compared with Sunwater’s renewals projections which were the basis of the SunWater irrigation prices for 2006/07 to 2010/11. When excluding the water meter upgrade costs which will be excluded from the annuity, it was noted the total value of Seqwater’s renewal forecast was approximately 57% of Sunwaters. The difference is believed to be primarily due to:

- Seqwater projections being based on more up-to-date information.
- Seqwater projections include low expenditures in the period 2015/16 to 2016/17.
Appendix A

Water Supply Scheme Schematic
Appendix B

Renewal Projections
<table>
<thead>
<tr>
<th>Parent Asset</th>
<th>Asset Description</th>
<th>Comments</th>
<th>Estimated Expenditure (k)</th>
<th>Expenditure Forecast each Year ($k)</th>
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### Table Details

- **Parent Asset**: The category or type of asset under consideration.
- **Asset Description**: A specific item or component of the asset.
- **Comments**: Any additional notes or details about the asset or its description.
- **Estimated Expenditure (k)**: The estimated cost of the asset or its component.
- **Expenditure Forecast each Year ($k)**: The forecasted expenditure for each year associated with the asset or its component.

### Example

- **Parent Asset**: Buildings
- **Asset Description**: Building Insulation
- **Comments**: “Improvements to building insulation”
- **Estimated Expenditure (k)**: 20
- **Expenditure Forecast each Year ($k)**: 20

### Calculations

- **Total** = 20 + 20 = 40

### Notes

- The table includes a variety of assets and their associated costs and forecasts, providing a comprehensive view of the financial planning and budget allocation for these assets.