
Thursday, December 4, 2008

NEW WATER PRICES FOR 2009-2010

The average South Australian household water bill will increase by 90 cents a week in 2009-2010 under new water prices announced today by the State Government.

Water prices will rise in real terms by 17.9 percent on average (before inflation) from July 1, 2009, and the sewerage charge will increase to cover inflation.

The fixed annual water supply charge will be cut by nearly \$20, enabling consumers to reduce their water bills by being more water wise.

Treasurer Kevin Foley says the pricing increase will contribute to critical water security investment for South Australia's future, including Adelaide's accelerated desalination plant.

Mr Foley says the State Budget will not receive any extra benefit from this price rise.

"Building a desalination plant is an extremely complex and expensive undertaking and further water price increases will be required in the future to fund the project as construction work commences.

"SA's 2009-10 water prices compare favourably with the current 2008-09 prices in other states.

"The new water prices for 2009-10 will only apply to water used from July 1 2009."

Concessions of 20 percent of the total annual water bill, from a minimum of \$95 to a maximum of \$200, will continue to be available to assist pensioners and Commonwealth Low Income Health Care Card holders with payments.

In addition, the Government will also extend the existing \$95 sewerage concession to these health care card holders, estimated to be up to 10,000 households.

Minister for Water Security Karlene Maywald says new prices will encourage all water users to be more efficient with water consumption.

"The South Australian Government will introduce legislation in early 2009 to enable quarterly billing for water use, which will help people monitor and manage their consumption."

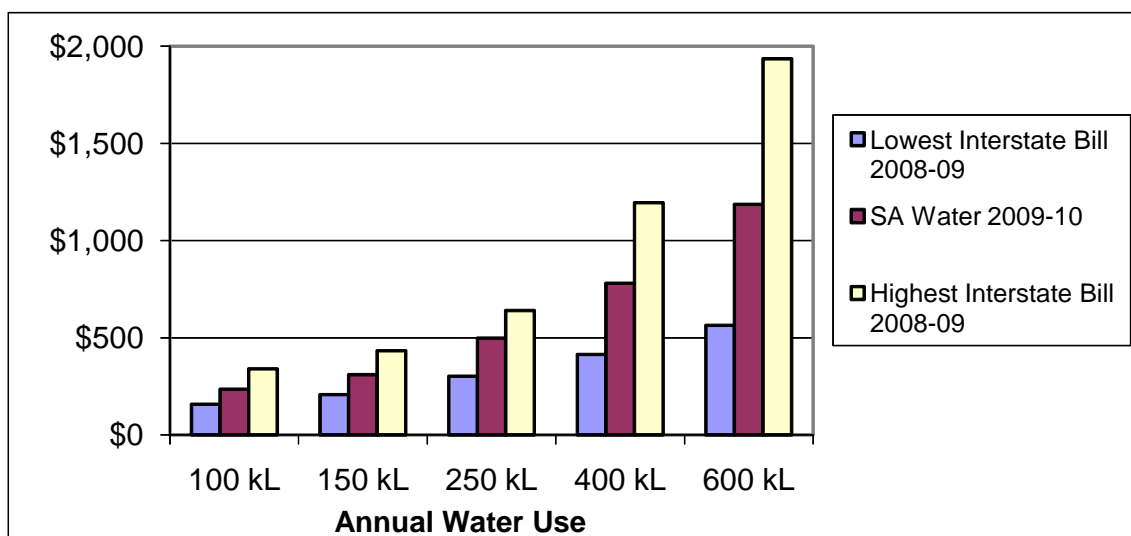
She also foreshadowed further reform of the State's water legislation will also occur next year.

The Government will prepare a transparency statement and subject the pricing process to independent review by the Essential Services Commission of SA to demonstrate National Water Initiative compliance.

WATER PRICING FACTS

- South Australian 2009-10 water prices will increase in real terms by 17.9 per cent on average (before inflation), starting July 1, 2009, and the sewerage charge will increase to cover inflation.
- The fixed annual water supply charge will be cut by nearly \$20, enabling consumers to reduce their water bills by being more water wise.
- **The NEW prices for the 2009-10 financial year are:**
 - Reduced annual residential supply charge of \$137.60
 - \$0.97/kL for water use from 0-120 kL
 - \$1.88/kL for water use from 120-520 kL
 - \$2.26/kL for water use above 520 kL
- **The current 2008-09 water supply and usage charges are:**
 - Annual residential supply charge of \$157.40
 - \$0.71/kL for water use from 0-120 kL
 - \$1.38/kL for water use from 120-520 kL
 - \$1.65/kL for water use above 520 kL
- The average metropolitan household used about 191 kilolitres (191,000 litres) of water in 2007-08. Based on this average, householders would pay \$387.50 in 2009-10 – an increase of \$46.90, or 90 cents per week – compared with \$340.60 in 2008-09.
- Concessions of 20 percent of the total annual water bill, from a minimum of \$95 to a maximum of \$200, will continue to be available to assist pensioners and Commonwealth Low Income Health Care Card holders with payments. In addition, the Government will extend the existing \$95 sewerage concession to these health care card holders, estimated to be up to 10,000 households.

Comparison - SA proposed prices with lowest & highest current interstate prices (Comparisons are with 2008-09 bills for major water authorities in Australia)



RESIDENTIAL WATER BILL COMPARISONS

Annual use (single dwellings)	Annual water use charges 2008-09	Annual supply charge 2008-09	Total water bill 2008-09	Annual water use charge 2009-10	Annual supply charge 2009-10	Total water bill 2009-10	Difference per year (\$)	Difference per week (\$)
60 kL	\$42.60	\$157.40	\$200	\$58.20	\$137.60	\$195.80	– \$4.20	<u>– 8 cents</u>
120 kL	\$85.20	\$157.40	\$242.60	\$116.40	\$137.60	\$254	\$11.40	<u>22 cents</u>
191 kL *	\$183.20	\$157.40	\$340.60	\$249.90	\$137.60	\$387.50	\$46.90	<u>90 cents</u>
250 kL	\$264.60	\$157.40	\$422	\$360.80	\$137.60	\$498.40	\$76.40	<u>\$1.47</u>
520 kL	\$637.20	\$157.40	\$794.60	\$868.40	\$137.60	\$1006	\$211.40	<u>\$4.07</u>
700 kL	\$934.20	\$157.40	\$1091.60	\$1275.20	\$137.60	\$1412.80	\$321.20	<u>\$6.18</u>
1000 kL	\$1429.20	\$157.40	\$1586.60	\$1953.20	\$137.60	\$2090.80	\$504.20	<u>\$9.70</u>

* 191 kL was the average metropolitan residential consumption during 2007-08.