
Thursday, 3 December 2009

NEW WATER PRICES FOR 2010-11

The average South Australian household water bill will increase by \$1.62 a week in 2010-11 under new water prices announced today by the State Government.

Water prices will rise in real terms by 21.7 per cent on average (before inflation) from 1 July 2010, with the fixed annual water supply charge will rise by \$4.80 (three per cent).

Sewerage charges will rise in real terms by 0.8% for metropolitan customers and 1.3% for country customers, with actual rates to be announced before July 2010.

Treasurer Kevin Foley says the pricing increase will contribute to critical water security investment for South Australia's future, including Adelaide's accelerated and expanded 100 gigalitre desalination project.

The plant at Pt Stanvac will be 100% powered by renewable energy and when fully operational will provide up to 50% of Adelaide's water needs. It guarantees Adelaide's water security into the future.

Mr Foley says money raised through the price increase will go towards recovering the cost of water security measures.

“The \$1.8 billion Adelaide Desalination Project is progressing well and on track to deliver first water by the end of 2010. The doubling of this project from 50 to 100 GL comes at a significant cost, but once complete will benefit the entire State.

“The new water prices for 2010-11 will only apply to water used from July 1 2010.

“SA's 2010-11 water prices compare favourably with the current 2009-10 prices in other states.”

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

“Back in 2008 the Government foreshadowed significant increases in water pricing during the next five years to fund vital water security project.

“The extreme prolonged drought has prompted us to invest in a number of expensive water security projects, and the spending on these vital investments are reflected in the new prices.

“We are on track to achieving our water security goals and reducing our reliance on the River Murray.

“The increased pricing will mostly contribute to funding work on the *Adelaide Desalination Project* to supply up to half of Adelaide's water needs.

“The new prices will also contribute to the *Network Water Security Program* to connect the North and South metropolitan water supply systems, River Murray water purchases for South Australia’s critical human needs as well as rebates to encourage the public to buy water conserving products.

“While the ongoing drought will continue to put pressure on water prices, the community’s continued acceptance of conservation measures has also led to a decline in the amount of water households are using.

“The three-tiered price system and the minimal increase in the fixed annual water supply charge in 2010-11 encourages further conservation by rewarding those water-wise consumers who reduce their water use.

“South Australians are already doing the right thing. During the 2008-09 financial year the average South Australian household consumed about 190,000 litres, a 32 per cent drop compared to the 2002-03 drought year when annual household use averaged 278,000 litres.

Pensioners and Commonwealth Low-Income Health Care Card holders will be assisted in adjusting to the new prices with concessions of 20 per cent of the total annual water bill, from a \$95 minimum to a \$200 maximum. The existing \$95 sewerage concession also remains in place.

Sewerage rates will remain lower in dollar terms on average in country areas despite a 1.3% increase compared with 0.8% for the metropolitan area.

WATER PRICING FACTS

- South Australian 2010-11 water prices will increase in real terms by 21.7 per cent on average (before inflation), starting July 1, 2010.
- Sewerage charges will increase by 0.8% for metropolitan customers and 1.3% for country customers.
- **The NEW prices for the 2010-11 financial year are:**
 - Increased (3%) annual residential supply charge of \$142.40
 - \$1.28/kL for water use from 0-30 kL per quarter
 - \$2.48/kL for water use from 30-130 kL per quarter
 - \$2.98/kL for water use above 130 kL per quarter
- **The current 2009-10 water supply and usage charges are:**
 - Annual residential supply charge of \$137.60
 - \$0.97/kL for water use from 0-30 kL per quarter
 - \$1.88/kL for water use from 30-130 kL per quarter
 - \$2.26/kL for water use above 130 kL per quarter
- The average metropolitan household used about 190 kilolitres (190,000 litres) of water in 2008-09. Based on this average, householders would pay \$469.60 in 2010-11 for water supply and consumption – an increase of about \$84 per year, or about \$1.62 per week – compared with \$385.60 in 2009-10.
- Concessions of 20 per cent 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. The existing \$95 sewerage concession will also continue.

RESIDENTIAL WATER BILL COMPARISONS - QUARTERLY

Quarterly use (single dwellings)	Quarterly water use charges 2009-10	Quarterly supply charge 2009-10	Total quarterly water bill 2009-10	Quarterly water use charges 2010-11	Quarterly supply charge 2010-11	Total quarterly water bill 2010-11	Difference per quarter	Difference per week
15 kL	\$14.55	\$34.40	\$48.95	\$19.20	\$35.60	\$54.80	\$5.85	\$0.45
30 kL	\$29.10	\$34.40	\$63.50	\$38.40	\$35.60	\$74.00	\$10.50	\$0.81
47.5 kL	\$62.00	\$34.40	\$96.40	\$81.80	\$35.60	\$117.40	\$21.00	\$1.62
60 kL	\$85.50	\$34.40	\$119.90	\$112.80	\$35.60	\$148.40	\$28.50	\$2.19
130 kL	\$217.10	\$34.40	\$251.50	\$286.40	\$35.60	\$322.00	\$70.50	\$5.42
175 kL	\$318.80	\$34.40	\$353.20	\$420.50	\$35.60	\$456.10	\$102.90	\$7.92
250 kL	\$488.30	\$34.40	\$522.70	\$644.00	\$35.60	\$679.60	\$156.90	\$12.07

47.5kL was the average quarterly metropolitan consumption during 2008-09

RESIDENTIAL WATER BILL COMPARISONS - ANNUAL

Annual use (single dwellings)	Annual water use charges 2009-10	Annual supply charge 2009-10	Total annual water bill 2009-10	Annual water use charges 2010-11	Annual supply charge 2010-11	Total annual water bill 2010-11	Difference per year	Difference per week
60 kL	\$58.20	\$137.60	\$195.80	\$76.80	\$142.40	\$219.20	\$23.40	\$0.45
120 kL	\$116.40	\$137.60	\$254.00	\$153.60	\$142.40	\$296.00	\$42.00	\$0.81
190 kL	\$248.00	\$137.60	\$385.60	\$327.20	\$142.40	\$469.60	\$84.00	\$1.62
240 kL	\$342.00	\$137.60	\$479.60	\$451.20	\$142.40	\$593.60	\$114.00	\$2.19
520 kL	\$868.40	\$137.60	\$1,006.00	\$1,145.60	\$142.40	\$1,288.00	\$282.00	\$5.42
700 kL	\$1,275.20	\$137.60	\$1,412.80	\$1,682.00	\$142.40	\$1,824.40	\$411.60	\$7.92
1000 kL	\$1,953.20	\$137.60	\$2,090.80	\$2,576.00	\$142.40	\$2,718.40	\$627.60	\$12.07

190kL was the average annual metropolitan consumption during 2008-09

Calculation of annual charges assume water is used uniformly across the full year