

All you need to know about water and wastewater pricing for 2011/12.

The South Australian Government is investing heavily in projects to diversify the State's water supply. These investments are vital – we may have had a good rainfall year but we need to be prepared for future dry seasons. Price increases will help pay for this critical water security plan.

From 1 July 2011, residential water and wastewater (sewerage) charges will increase. These charges will be in place until 30 June 2012.

Charges for the supply and treatment of your water and wastewater

The residential water supply charge will be \$58.65 per quarter.

Water use price	Indicative quarterly threshold (approximately 91 days)	Relevant daily threshold*
\$1.93/kL	0 to 30kL	0 to 0.3288kL
\$2.75/kL	30 to 130kL	0.3288kL to 1.4247kL
\$2.98/kL	Above 130kL	Above 1.4247kL

*Threshold calculated on the basis of the number of days in the billing period.

The price for water usage above 130kL only applies to single dwellings. It does not apply to a multiple dwellings under a single account such as a block of flats.

Quarterly thresholds, the amount that can be used at each pricing level each quarter, are calculated on the basis of the actual number of days in each customer's billing period. The quarterly thresholds are expressed on a daily basis to take account of the fact that the number of days between meter readings can vary.



Examples of total water supply charges under the new pricing for residential customers

Quarterly use (single dwellings)	Quarterly water use charges 2010/11	Quarterly supply charge 2010/11	Total quarterly water bill 2010/11	Quarterly water use charges 2011/12	Quarterly supply charge 2011/12	Total quarterly water bill 2011/12	Difference per quarter	Difference per week
15kL	\$19.20	\$35.60	\$54.80	\$28.95	\$58.65	\$87.60	\$32.80	\$2.52
30kL	\$38.40	\$35.60	\$74.00	\$57.90	\$58.65	\$116.55	\$42.55	\$3.27
47.5kL	\$81.80	\$35.60	\$117.40	\$106.03	\$58.65	\$164.68	\$47.28	\$3.64
60kL	\$112.80	\$35.60	\$148.40	\$140.40	\$58.65	\$199.05	\$50.65	\$3.90
130kL	\$286.40	\$35.60	\$322.00	\$332.90	\$58.65	\$391.55	\$69.55	\$5.35
175kL	\$420.50	\$35.60	\$456.10	\$467.00	\$58.65	\$525.65	\$69.55	\$5.35
250kL	\$644.00	\$35.60	\$679.60	\$690.50	\$58.65	\$749.15	\$69.55	\$5.35

Average quarterly metropolitan consumption during 2008/09 and 2009/10 was approximately 47.5kL.

Sewerage charges

Sewerage charges will rise by 5.5% for metropolitan customers and 6% for country customers from 1 July 2011.

Sewerage charges are based on the capital value of your property as set by the Valuer General.

The rate in the dollar of capital value used to calculate the charge was being finalised at the time of printing. Please refer to the SA Water website, at www.sawater.com.au for the latest information.

Frequently asked questions

How is water and sewerage charged?

Most SA Water bills are made up of these key charges:

Water supply – A water supply charge is the amount we ask you to pay quarterly to deliver water to your property.

Water use – The water use charge is based on the amount of water you use.

Sewerage (wastewater) – The sewerage access charge is the amount we ask you to pay each quarter for the removal and treatment of sewage and wastewater.

Save the River Murray Levy - The Department for Water charges the Save the River Murray levy which SA Water collects on their behalf. For more information visit the Department for Water's website at www.waterforgood.sa.gov.au

Who regulates these pricing changes?

Water and sewerage prices in South Australia are set according to the National Water Initiative pricing principles and in accordance with the *Waterworks Act 1932* and *Sewerage Act 1929*.

In previous years the Treasurer has forwarded a Transparency Statement to the Essential Services Commission of South Australia (ESCOSA) for its independent review.

In 2009, as a response to water security issues affecting the state, the Government launched its Water for Good Plan. The Plan included recommendations to draft new water legislation and appoint ESCOSA as an independent regulator of the South Australian water industry.

The Government is presently considering submissions on its draft water industry legislation, and ESCOSA's first price determination is expected to be for a period from 1 July 2013.

To cover the transition period, the Government has approved arrangements for setting water prices in 2011/12 and 2012/13 under existing legislation. A Regulatory Statement setting out the background to the Government's decision has replaced the Transparency Statement process.

A copy of the 2011/12 Drinking Water and Sewerage Prices Regulatory Statement can be accessed at the Department of Treasury and Finance website at www.treasury.sa.gov.au

Frequently asked questions

Calculating your water use before and after 1 July 2011

Each quarter SA Water reads more than 650,000 water meters. For practical reasons, these readings can't take place on the same day and so are spread throughout the quarter. For example, you may have your meter read in May – before the new water prices are introduced – and then three months later in August.

In this case, some of the water you have used is charged at the prices for the previous financial year and some is charged at the new prices. You will notice two different sets of pricing on your bill to reflect water use split between the financial years.

In line with the *Waterworks Act 1932*, the amount of water used at each price is calculated by assuming the same amount of water has been used for each day of the billing period. You will see how this applies to you under the Account Details section of your bill.

How are the usage charges calculated?

Prices are expressed on a daily basis to take account of the fact that the number of days between meter readings can vary. Quarterly thresholds, the amount that can be used at each pricing level each quarter, are calculated on the basis of the actual number of days in each customer's billing period.

Concessions

Concessions will continue to be available to assist pensioners and Commonwealth Low Income Health Care Card holders with payments.

Concessions will be increased in 2011/12, including an increase in the percentage rate used to calculate the concession amount, from 20% to 25%, along with minimum and maximum concession payments. The settings for the new concession are as follows:

Water Concession	2010/11	2011/12
Concession as % of water bill (excluding sewerage)	20%	25%
Minimum for owner occupier	\$100	\$125
Maximum for owner occupier	\$210	\$235
Minimum for tenants	\$58	\$72
Maximum for tenants	\$168	\$182
Sewerage (maximum)	\$100	\$105

More information about concessions can be found at the Department of Families and Communities website at www.dfc.sa.gov.au or by calling the Concession Hotline on 1800 307 758.

What about the future – will water prices continue to rise?

The forecasts underlying the Government's 2010/11 pricing decision signalled the need for significant price increases up to and including 2013/14 in order to fully recover costs. In determining 2011/12 pricing, the Government has carefully reviewed these forecasts. While a similar increase is expected in 2012/13, it is no longer considered necessary in 2013/14.

Why are prices increasing?

The pricing increase will contribute to critical investment in South Australia's water infrastructure to ensure water security for the State into the future.

Key water security projects include:

- Adelaide's \$1.83 billion desalination plant which will provide a non-climate dependent water supply for metropolitan Adelaide.
- North South Interconnection System Project which will enhance the reliability and flexibility of Adelaide's water supply network to ensure Adelaide continues to have a secure water supply in the future and is able to meet increases in demand.

Price increases also contribute to works to improve wastewater treatment processes, infrastructure and wastewater reuse projects. Significant recent wastewater infrastructure projects include:

- Upgrade of Christies Beach and Aldinga wastewater treatment plants to support population growth in the southern suburbs.
- Southern Urban Re-use Project which will deliver recycled water to up to 8000 new homes in Adelaide's south.
- Glenelg to Adelaide Park Lands project which has the capacity to provide up to 3.8 billion litres of high-quality recycled water per year.

Detailed information on SA Water's water security and wastewater projects can be found on our website at www.sawater.com.au

Why am I paying charges on my vacant property?

You are charged for water and/or wastewater on vacant property regardless of whether you are using the services or not. These services are available to you should you or future owners ever choose to connect.

What about residential recycled water charges?

SA Water has a number of residential dual reticulation recycled water customers. The cost of recycled water is 75% of the new second tier statewide price for water usage or \$2.06 per kL.

Why am I paying more for water when it's raining and our water situation has improved?

Although South Australia is currently in a much better water situation given improved rainfall, there are no guarantees we won't have future droughts or other impacts to our water supply. SA Water and the South Australian Government are committed to continuing our investment in infrastructure to enhance South Australia's future water security. Increases to water prices continue to contribute to some of our State's largest water security projects including the Adelaide Desalination Plant and the North South Interconnection System Project. These are projects that will protect the security and reliability of South Australia's supply into the future.

Where can I find out more information to help me save water around my home?

There are a number of tools and tips available on the SA Water website, at www.sawater.com.au to help you save water around your home including the new WaterRight Gardening tool and SA Water Interactive House and Garden.

What sort of benefit will people in rural areas get from projects such as the Adelaide Desalination Plant?

While the Adelaide Desalination Plant will provide water for metropolitan Adelaide, it also supports water security across the State because it provides access to a water supply in addition to River Murray or our catchments. In times of drought, SA Water will be able to use its River Murray licence to deliver water to regional areas and use desalinated water for the city.

The ability for businesses and industry across the State to access a secure supply of water is an important factor in enhancing future growth and prosperity in South Australia. In addition to the Adelaide Desalination Project, the Government is also investing, through SA Water, in long term planning for the State's water supplies in regional areas (including Eyre Peninsula, Yorke Peninsula, Kangaroo Island, Upper Spencer Gulf), water and wastewater main relays and new pump stations.

Are country sewerage charges rising by more than metropolitan sewer charges?

The difference between the metropolitan and country sewerage price increases recognises that property values in the country are on average lower than those in the metropolitan area. This results in country customers, on average, having lower sewerage charges than metropolitan customers.

While country customers will see a marginally higher percentage increase (0.5%) in sewerage charges, these charges will on average remain lower than metropolitan sewerage charges. Consistent with the Government's policy of statewide pricing, the marginally higher increase for country sewerage prices will continue the gradual process of bringing country charges more into line with metropolitan charges.

In nominal terms, this means residential country customers (with an average valued country property) will have increases of about 46 cents per week compared to 48 cents for metropolitan customers (who have an average valued metropolitan property).

I am having difficulty paying my bills – what should I do?

SA Water understands that sometimes it's hard to meet ongoing household expenses and pay all your bills. If you are having difficulty paying your SA Water bill, it's important you call us as soon as possible to discuss how we can help.

Your queries will be dealt with in a sensitive and respectful manner, and we can provide you with the support and information you need. We will work with you to offer a range of options and help you access the option most suited to your requirements. The sooner you call, the sooner we can help. If you have any queries about payment options, please call us on 1300 650 950.

For more information
visit www.sawater.com.au
or call us on 1300 650 950.