



2024-28

Regulated financial performance report

Year 1

To 30 June 2025



Government of
South Australia



Delivering low and stable prices



Revenue and prices

Every four years, with input from our customers, we submit a proposal to the Essential Services Commission of South Australia (ESCOSA), outlining the revenue required to operate and invest in our networks to deliver the services our customers value and are willing to pay for. The proposal also reflects our regulatory responsibilities.

Through this process, ESCOSA determines the allowable revenue we can recover from our customers, and then prices are set each year to achieve the allowable revenue across each four-year, regulatory period. When setting prices, based on our allowable revenue, we consider a range of factors including:

- anticipated weather conditions and patterns
- forecasts of how much water we are going to supply
- forecasts of how many customers we are going to have
- current and predicted economic conditions
- pricing structures
- how much different customers pay (for example, water use prices for residential customers, business customers etc)

Weather and other variables can mean that actual revenue may differ from forecast revenue during the four-year period. ESCOSA calculates revenue adjustments at the end of each four-year regulatory period to carry forward any significant differences in actual revenue earned (over or under).

As announced by the State Government in June 2024, increases to the average metropolitan residential customer bill during the 2024-28 regulatory period will be equivalent to 3.5 per cent plus Consumer Price Index (CPI) per annum. This is lower than the allowed revenue cap determined by the economic regulator due to the State Government's decision to pass on lower prices.

Also, taking a smoothing approach, where customer bills increase in lower increments across each year of the current four year regulatory period, helps to manage the impact that larger cost increases can have on our customers.

Importantly, it also ensures we can continue making vital investments to maintain and improve services for our customers, along with supporting unprecedented levels of housing growth through the State Government's record \$1.5 billion investment in critical water and wastewater infrastructure as part of the Housing Roadmap.

In 2024-25 the average metropolitan, residential water and sewerage bill increased by 3.5% plus CPI (equivalent to 7.2%).

In 2025-26 the average metropolitan, residential water and sewerage bill is estimated to increase by 3.5% plus CPI (equivalent to 6.0%).

Statewide pricing means the majority of our customers pay the same price per kilolitre of water, no matter where they live or the actual cost of supplying that location. Sewerage prices are based on the capital value of customer properties and are designed so that average bills are as consistent as possible across the state. The rates used to calculate sewerage charges are updated every year and take into consideration the general movement in the property market. This process ensures we do not achieve a windfall revenue gain through increasing property values, and that prices are as consistent as possible across the state.

For more information on how SA Water prices are determined, please refer to our [website](#).

Driving customer outcomes



Delivering low and stable prices



Revenue and prices

Water	2024-25 Actual	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast
Allowed revenue (\$ millions, including inflation)	\$912.3	\$1,031.8	\$1,167.8	\$1,322.3
Total actual / forecast revenue* (\$ millions, including inflation)	\$932.8**	\$895.3	\$943.3	\$994.1
Total actual / forecast revenue comprising of:				
Revenue from fixed supply charge (\$ millions, including inflation)	\$275.5	\$289.7	\$306.4	\$323.9
Revenue from variable water use charge (\$ millions, including inflation)	\$645.3 [#]	\$593.8	\$624.8	\$657.9
Other water revenue (\$ millions, including inflation) ^{##}	\$11.9 [#]	\$11.8	\$12.1	\$12.3
Price change				
Fixed supply charge	5.9%	4.7%		
Variable water use charge	5.9%	4.7%		

* Total actual/forecast revenue is below the maximum allowed revenue cap due to the State Government's decision to pass on lower prices than that allowed by our economic regulator.

** Actual volume of water sold was above forecast in 2024-25 due to below average rainfall, above average temperatures and high soil dryness.

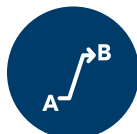
[#] Estimate as at 30 June 2025 due to meter reads and billing cycle.

^{##} Other revenue includes shared asset revenue and Community Concession Community Service Obligation revenue.

Wastewater	2024-25 Actual	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast
Allowed revenue (\$ millions, including inflation)	\$438.1	\$515.7	\$608.1	\$717.6
Total actual / forecast revenue* (\$ millions, including inflation)	\$409.9	\$441.1	\$480.4	\$523.2
Price change				
Minimum charge	9.4%	8.1%		
Residential property rate	9.4%	8.1%		
Business property rate	9.4%	8.1%		

* Total actual/forecast revenue is below the maximum allowed revenue cap due to the State Government's decision to pass on lower prices than allowed by our economic regulator.

Driving customer outcomes



Demand forecast

The amount of water we are forecasting to sell

	2024-25	2025-26	2026-27	2027-28
Forecast volumes (billions of litres)	203.7	204.7	205.6	206.6
Actual billed volumes (billions of litres)	230.5 [#]			

* Actual volume was above forecast in 2024-25 due to below average rainfall, above average temperatures and high soil dryness. The number of customer accounts was also higher than forecast (refer customer growth table to the right).

[#] Estimate as at 30 June 2025 due to meter reads and billing cycle.



Customer growth forecast

The number of customers we are forecasting to have

	2024-25	2025-26	2026-27	2027-28
Water customers				
Forecast	820,566	828,468	836,446	844,503
Actual	822,453*			
Wastewater customers				
Forecast	647,530	653,842	660,216	666,653
Actual	651,456*			

* Higher than forecast customer growth was mainly due to growth associated with the State Government's Housing Roadmap.



Delivering low and stable prices

2024-25

Residential customer annual billing



Value of a residential water bill based on 200kL per year of water consumption

Metropolitan
Regional

\$822
\$822



Value of a typical residential sewerage bill based on average property value

Metropolitan
Regional

\$472
\$388





Business customer annual water and sewerage billing for 2024-25*^

Metropolitan	Minimum charge (\$389,038)	Low property value (\$630,000)	Median property value (\$1,100,000)	Average property value (\$2,866,000)	High property value (\$7,950,000)	Very high property value (\$29,625,000)
No water use	\$662	\$878	\$1,298	\$2,877	\$7,422	\$26,799
Low water use - 26 kL per year	\$746	\$961	\$1,381	\$2,960	\$7,505	\$26,883
Median water use - 103 kL per year	\$993	\$1,209	\$1,629	\$3,208	\$7,753	\$27,130
Average water use - 983 kL per year	\$3,822	\$4,037	\$4,457	\$6,036	\$10,581	\$29,959
High water use - 2,864 kL per year	\$9,867	\$10,083	\$10,503	\$12,082	\$16,627	\$36,004
Very high water use - 11,533 kL per year	\$37,729	\$37,945	\$38,365	\$39,944	\$44,489	\$63,866

Regional	Minimum charge (\$244,757)	Low property value (\$275,000)	Median property value (\$470,000)	Average property value (\$1,005,000)	High property value (\$2,975,000)	Very high property value (\$9,150,000)
No water use	\$662	\$705	\$982	\$1,743	\$4,542	\$13,317
Low water use - 26 kL per year	\$746	\$789	\$1,066	\$1,826	\$4,625	\$13,400
Median water use - 103 kL per year	\$993	\$1,036	\$1,313	\$2,074	\$4,873	\$13,648
Average water use - 983 kL per year	\$3,822	\$3,865	\$4,142	\$4,902	\$7,701	\$16,476
High water use - 2,864 kL per year	\$9,867	\$9,910	\$10,187	\$10,947	\$13,747	\$22,521
Very high water use - 11,533 kL per year	\$37,729	\$37,772	\$38,049	\$38,810	\$41,609	\$50,384

* Includes all non-residential and commercial customers. Commercial customers on water property based charges (property value of more than \$10 million) are also included.

^ Valuer-General of South Australia adjusts property valuations annually.

Driving customer outcomes



In each year of each regulatory period, ESCOSA allows us to recover for expenditure to operate and invest in our water and wastewater networks to deliver the services our customers value and are willing to pay for.



Operating expenditure

The cost of running our business, including electricity, treatment processes, labour and licence fees.

Water	2024-25 Actual	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast
Allowance (millions)	\$432.8	\$452.5	\$472.1	\$486.6
Actual/Forecast (millions)	\$538.0	\$456.3	\$475.5	\$490.6
Variance (millions)*	\$105.2	\$3.8	\$3.5	\$4.0

Wastewater	2024-25 Actual	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast
Allowance (millions)	\$206.3	\$213.9	\$215.6	\$221.8
Actual/Forecast (millions)	\$241.5	\$214.7	\$216.8	\$222.8
Variance (millions)*	\$35.2	\$0.8	\$1.2	\$1.0

*Drier weather conditions have resulted in higher metropolitan contract costs (driven by emergency water repairs, sewer root intrusion, and increased meter maintenance), as well as higher water treatment and electricity costs due to increased water consumption, higher pumping volumes, and elevated market prices.



Capital expenditure

The cost to invest in our infrastructure, including items like trunk main renewals and upgrades to treatment plants.

Water	2024-25 Actual	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast
Gross capital allowance (millions)	\$484.2	\$538.4	\$604.1	\$576.5
Actual/Forecast (millions)	\$459.7	\$758.4	\$615.2	\$413.7
Variance (millions)*	-\$24.5	\$220.0	\$11.2	-\$162.8

Wastewater	2024-25 Actual	2025-26 Forecast	2026-27 Forecast	2027-28 Forecast
Gross capital allowance (millions)	\$401.0	\$405.7	\$422.5	\$429.2
Actual/Forecast (millions)	\$254.2	\$406.7	\$621.4	\$319.2
Variance (millions)**	-\$146.8	\$1.0	\$198.9	-\$110.0

*Annual variances are due to rephasing of works. The variance in 2024-25 is primarily due to environmental delays in relation to two large projects (Eyre Peninsula desalination project and Morgan Whyalla pipeline project).

**Annual variances are due to phasing of works. The variance in 2024-25 is primarily due to the updated delivery schedule of two large projects - Metro Growth and Tea Tree Gully (phasing of works into year 2 and 3 compared to year 1).

While annual variances have occurred due to rephasing of work, the four year gross capital allowance is on track to be delivered.

The capital forecast is based on the latest approved State Budget, this position does not include \$73.5 million of regulated expenditure carryover from 2024-25.

