Newsletter to Barossa Infrastructure Ltd Customers

9 December 2022

Office Shutdown over Christmas

BIL's office will close temporarily over Christmas between:

4pm 21st December 2022 and 9am 4th January 2023.

During this time, please report any leaks or water supply issues to Steve on 0418 845 738. Neville and I will also be contactable.

Additional Water and Surplus Water

Customers seeking <u>additional temporary water</u> for use before 30 September 2023 should submit the linked form or contact Neville who will be able to assist.

Conversely, customers who expect to have surplus water this Water Year should consider submitting the <u>surplus temporary water</u> form sooner rather than later to have the best chance of BIL finding someone who needs it.

Board Update

BIL's Board met on 6th December.

High and sustained rainfall resulted in record low volumes of water supplied to customers for the first two months of the Water Year. Winter maintenance is wrapping up, and pre-summer mechanical and electrical inspections of pump stations indicates no issues.

Additional water to the Barossa was discussed at length, including Barossa New Water and additional capacity with SA Water.

Auditor tenders were considered, insurance renewals confirmed, policy and code of conduct documents reviewed, the River Murray water purchase plan updated, and Board meeting dates for 2023 agreed.

Annual General Meeting Recap

BIL's 25th October AGM heard from the Chairman Mr. Rob Chapman, who noted the company's strong financial position and frustration that little progress had been made on securing additional source water to underpin an expansion to meet customer needs.

I noted that the scheme infrastructure is running well, with few bursts and leaks causing minimal disruption to customers.

Company Secretary Mr. Geoff Davis presented the financial report that shows a reduced profit after tax, which is attributed to a reduction in the volume of water delivered to customers.

Two directors and two independent directors were reappointed unanimously, and the maximum annual sum paid to directors was raised unanimously on a show of hands.

Director Mr. John Kerr outlined three expansion projects that are being considered by BIL, noting all require government funding/support to make them viable. On a show of hands, the meeting confirmed the need for additional water and endorsed BIL changing its approach if that helped.

Barossa Water Security Strategy

The Barossa Water Security Strategy was launched in November.

Most climate projections indicate a hotter and drier future where water availability from native water sources in Barossa will decline and irrigation water demand will increase. To meet the water needs of existing crops and water-related industries, additional imported water will likely be required.

Modelling indicates that if the current planted area and viticultural practices are maintained, the average irrigation water demand is projected to increase by 23% (3GL a year) under a mid-range climate scenario for the 2050s, and 27% (4.4GL a year) under a high-end climate scenario.

If the region desires no irrigation shortfall for the existing planted area in the driest years, under a mid-range climate scenario for the 2050s it is estimated an additional 8GL per year (5.7GL for Barossa Valley and 2.4GL for Eden Valley) will be needed, and this increases to more than 14GL per year (10.2GL for Barossa Valley and 3.8GL for Eden Valley) under a high-end climate scenario.

Interestingly, growers appear to have a good feel for this already. BIL has been told by growers they are looking for 4GL of additional water, which sits nicely between the mid-range and high-end climate scenarios for average demand.

Warren Reservoir Outtake Upgrade

In 2023 SA Water will upgrade the Warren Reservoir outtake that supplies BIL. New screens should prevent larger material (e.g. grown fish, sticks, water weed) from entering the pipeline. The works are scheduled for autumn and winter 2023, with the reservoir full again prior to next summer.

To undertake the works the reservoir's water level will gradually decrease over summer before being drained to empty in autumn. When the level gets too low, SA Water will switch our source water to the Swan Reach system, and BIL will notify you when this is scheduled to occur.

I have been meeting regularly with SA Water to ensure BIL's interests are looked after. For more information, refer to SA Water's website.

Contacts for BIL Operations

Barossa Infrastructure Ltd Infrastructure Maintenance Services

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Have a safe and enjoyable Christmas.

Simon Schutz | General Manager