

## Newsletter to Barossa Infrastructure Ltd Customers

13 September 2023

### *Source Water Change – Warren Reservoir plus Swan Reach*

SA Water is now supplying BIL from both the Warren Reservoir and their Swan Reach system.

Customers may notice a change in water quality as we move from a fully filtered and chloraminated supply to a mixture of filtered and raw water.

Customers may need to adjust irrigation practices to account for this change in water quality.

### *Additional Water*

Customers seeking [additional temporary water](#) for use before 30 September 2023 should submit the linked form or contact Simon who will be able to assist.

### *30<sup>th</sup> September – End of BIL Water Year*

BIL's water year ends on 30<sup>th</sup> September. In early October customers will receive an invoice for used and unused water.

### *Board Update*

BIL's Board met on 12<sup>th</sup> September.

Additional water to the Barossa was discussed, particularly a meeting with the Deputy Premier that BIL hosted the day prior.

A robust debate occurred in relation to the customer water price for Water Year 2023/24. Refer to the separate section below.

BIL's audited accounts were presented, the Annual Report signed off, the notice of AGM approved, and the revised budget agreed. The governance section of the company's Risk Action Plan was reviewed, as were clauses of the Customer Contract.

### *Customer Water Price, Water Year 2023/24*

BIL's Premium water price for Water Year 2023/24 will be \$1,200/ML, a \$180/ML increase. The other categories of BIL water will also increase.

[https://barossainfrastructure.com.au/wp-content/uploads/Schedule-1-Charges-2023\\_24.pdf](https://barossainfrastructure.com.au/wp-content/uploads/Schedule-1-Charges-2023_24.pdf)

BIL's costs from SA Water for the 2023-24 Water Year under the Water Transport Agreement are increasing by +18%. The bulk of this increase is SA Water's increased electricity costs over the last year (+35.3%). The other component is an increase to an Australian Bureau of Statistics construction index (+6.2%) that forms part of the cost calculation.

BIL has and will continue to seek information from SA Water to satisfy ourselves that the increase is appropriate and consistent with the Water Transport Agreement.

At BIL's September Board meeting, consideration was given to a smaller customer price increase. After robust discussion considering both BIL's and the industry's financial position and outlook, the Board resolved to pass on the full increase. This decision was not taken lightly.

The decision aligns with BIL shareholder's endorsement of an earlier Board proposal to ensure annual water use charges cover annual direct cash operating costs and administration overheads at 85% consumption of contracted volumes. This is particularly important as infrastructure levies drop to zero in the next three years.

If customer would like a deeper understanding of how the Water Transport Agreement's pricing mechanism works, and how it impacts BIL's customer water price, feel free to call me.

### *Non-Drinking Water*

A reminder from SA Water that the water it supplies BIL, that BIL in turn supplies customers, is non-drinking water that may contain harmful microorganisms and compounds.



### *Contacts for BIL Operations*

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