

TAKING UP WATER WITH BIL – INFORMATION SHEET

Background Information

Barossa Infrastructure Limited (BIL) supplies high-quality irrigation water for the Barossa. Our pipeline network is shown [here](#).

Using River Murray water allocations, water is transported to BIL's infrastructure by SA Water. Locally treated wastewater, blended with River Murray water, is supplied to some properties.

BIL is an unlisted public company. All BIL shareholders are customers, with shares held in proportion to each customer's contracted volume of Premium water.

BIL is currently fully subscribed. To become a customer, either an existing customer will need to assign some or all of their Customer Contract to you (minimum of 5ML), or you need to participate in a future expansion. BIL has not committed to further expansion but is investigating it.

[Expressions of Interest](#) for water are invited from customers or potential new customers. This is non-binding on BIL and the registrant but allows BIL to plan according to the region's needs.

This information sheet provides a summary of the key elements of being a BIL customer. Detailed information can be found on [BIL's website](#), such as the Customer Contract, water quality data, annual reports and environmental assessments, so you can determine if BIL is suitable for your needs.

BIL Terminology

Customer Contract - Customers enter into a long term (until 2040) contract with BIL for a nominated volume of Premium water and Off Peak water per Water Year.

Customer Connection –BIL supplies pressurised water to each customer through a metered connection. Customers can have multiple connections if, say, they have multiple properties. The connection is installed by BIL and charged to the customer.

Infrastructure Levy – Customer Contracts require payment of an Infrastructure Levy. The Levy assists BIL in, say, repaying its bank loan taken out to pay for an expansion. The Infrastructure Levy is paid over several years, with each yearly payment due by 30 June. All existing contracts have fully paid their Levies. The 2017 expansion Levy totaled \$12,000/ML, however this changes with each expansion.

Off Peak Water – Water that can only be taken in the periods Oct-Nov (up to 25%) and Apr-Sep i.e. not summer.

- Premium Water** – Water that can be taken throughout the Water Year, including summer. The maximum daily flow rate is typically 1/50th of the contracted volume, however BIL may make an offer at a lower rate if supply is limited at your connection.
- Shares** – Premium water customers must hold 1,750 shares in BIL per megalitre of contracted Premium water. The historical issue price of shares is \$1 each.
- Water Use Charges** – Premium and Off Peak water use attracts different prices. Unused water is charged at a reduced price. Penalties apply for using water in excess of your allocation. Invoices are sent four times each year. Charges are revised annually.
- Water Year** – BIL’s Water Year begins on 1 October and ends on 30 September the following year. On 1 October each year, customers’ available water volumes are reset.

Summary of Costs Associated with Being a BIL Customer

Shares					
1,750 shares / ML of contracted Premium Water, historically issued at \$1 / share. Share ownership does not apply to Off Peak water.					
Infrastructure Levy					
The examples below applied to BIL’s most recent expansion in 2017. Levies are specific to each expansion, depending on that expansion’s cost.					
Payment No	Timing	Water Infrastructure Levy per ML 2017	Payment No	Timing	Water Infrastructure Levy per ML 2017
1.	30 June 2017	\$1,000	1.	31 January 2017	\$1,000
2.	30 June 2018	\$2,000	2.	30 June 2018	\$500
3.	30 June 2019	\$1,500	3.	30 June 2019	\$500
4.	30 June 2020	\$1,500	4.	30 June 2020	\$500
5.	30 June 2021	\$1,500	5.	30 June 2021	\$500
6.	30 June 2022	\$1,500			
7.	30 June 2023	\$1,500			
8.	30 June 2024	\$1,500			
Customer Connection					
Starting at \$9,568 + GST, depending on the size and complexity of the installation					
Water Use Charges					
Water Year 25/26 prices. Prices vary each Water Year.					
Premium Water	\$ 1,085 / ML		Off Peak Water	\$ 1,290 / ML	
Reduced Price	\$ 520 / ML		Excess Water	\$ 5,425 / ML	