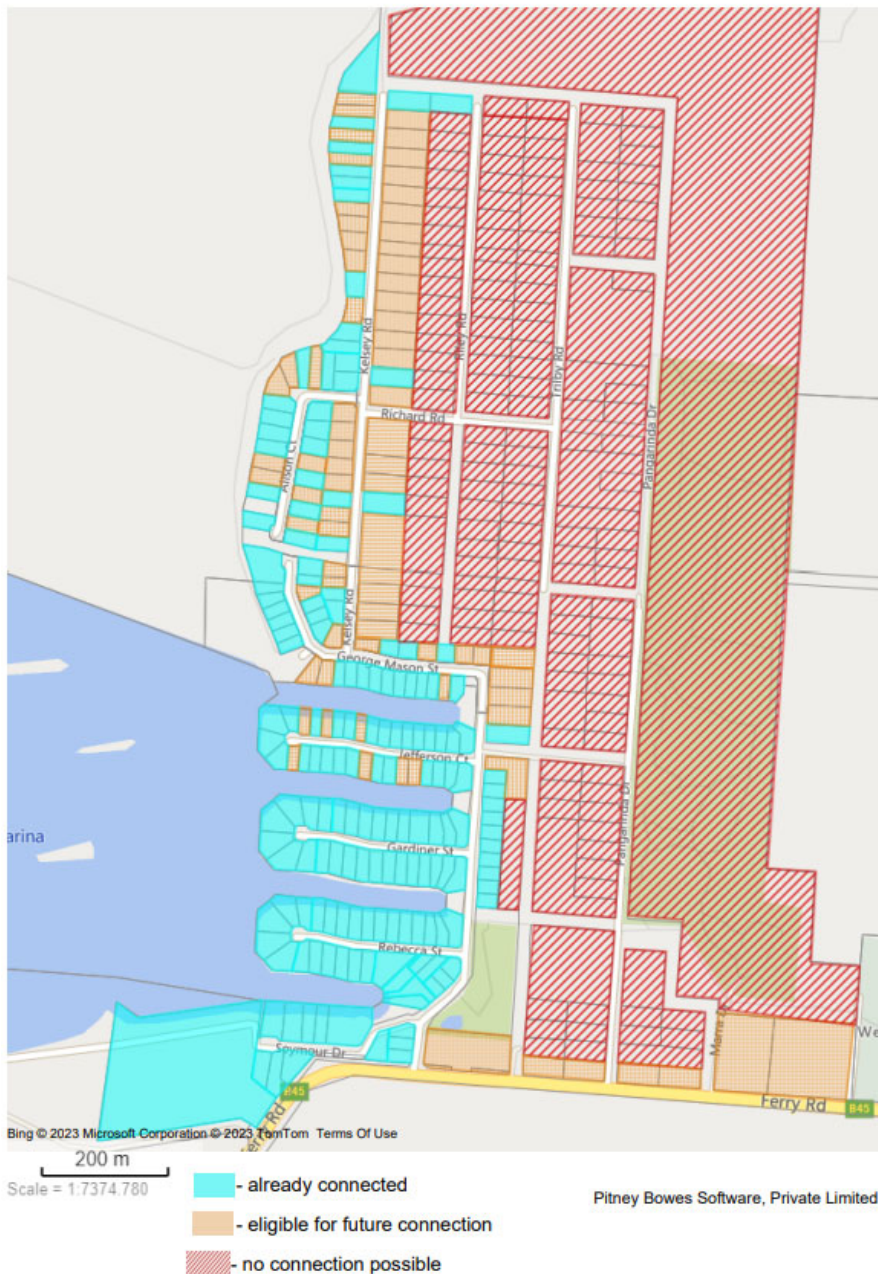




Wellington East Water Supply

FAQ's

This document will be updated as new questions are raised with Council. Please keep an eye on Council's website for the latest updates.



I live outside of the eligible blue area, can I be connected to the SA Water Supply?

The current project scope is to convert the existing network only. However, the new main pipeline connection from the existing system to the SA Water main on Princes Highway will be designed to accommodate for potential future expansion into the greater Wellington East Township.

I live on Ferry Road, can I be connected to the SA Water Supply?

Upon completion of the project any property which abuts the new main may be connected to the system. New connections would be subject to SA Water approval and connection fees.

What happens if we stay with the current system?

Remaining with the current system will have no effect to the water supply system but the fees associated with connection and usage will increase an estimated 2.3 times the current costs. The current average bill in Wellington East is \$337.60 and is expected to rise to \$776.48. This is an average increase of \$438.88.

In the future, will the remainder of properties within the Wellington East Township be able to access the SA Water Supply?

Subject to demand, and access to additional funding, there may be opportunity to investigate extending the drinking water supply into the remaining areas of Wellington East.

Is the change going to be township wide or can I opt out and stay on the existing supply?

The system will be converted as a whole, therefore all existing connected customers would be required to be converted. A partial conversion or opting out of the conversion is not possible.

What other options are available for the water supply system?

- Current river water supply at updated cost
- Conversion to SA Water drinking water supply at state-wide price

Why has Council investigated opportunities with SA Water?

The recent River Murray flood event highlighted some concerns for Council around the suitability of the system, the water quality and the risk the uncontrolled river water quality can pose to public health. Supply of a drinking water system will alleviate all of these concerns and support growth potential to the area. Council has also reviewed the fee structure of the Wellington East Water Supply System and determined that the current fee structure is not recovering the costs of operating the system. Therefore, the requirement to increase the associated fees to ensure cost full recovery has posed the question to Council around value for money service for its customers. Council does not believe the non-drinking water system can be delivered at a rate which would make it better value for money for customers than a drinking water system.

Why do you want my input?

Council is seeking in-principle support from its Water Supply system customers to proceed to the next phase with SA Water. This will include an investment into the detailed design and accurate costings for infrastructure improvements (which will happen at the end of Stage 1).

Once Council understands the cost to convert the system, Council will engage with the community on funding options and whether to proceed.

Stage	Activity	Timelines
Stage 1	Community Engagement	18 December to 5 February 2024
	Findings report completed and presented to at the March 2024 Ordinary Council meeting	March 2024
	Community advised of outcomes	April 2024
	Project scope – design and funding model developed	May to June/July 2024
Stage 2	Community Engagement Community informed of design and funding model and project delivery timelines	July/August to October 2024

What if I'm unable to make a community engagement session?

There are two community engagement sessions scheduled in January 2024 (details on Council's [website](#)), including an online webinar option. Alternatively you can contact Council directly to discuss the project. This FAQ document is live and will be updated with new FAQ's as they arise during community engagement.

Who can I speak to if I want to know more details?

For further information, please visit the Council website for information on the upcoming community engagement sessions and relevant staff contact details: www.coorong.sa.gov.au/wellingtoneastwater.

Are you sending this information to everyone in Wellington East?

Community engagement is focused on the existing customers of the Wellington East Water supply system, as this is the group that will be affected by the project.

What effect will my input have? Will Council listen to my opinion?

Council is seeking the support of the water supply customers to invest into further design and funding modelling. Council will review the feedback from the Community engagement prior to deciding how to progress.

Who is ESCOSA?

ESCOSA stands for Essential Services Commission of South Australia. It is the State Government body that is responsible for the economic regulation of essential services including water, waste collection and wastewater services in South Australia. ESCOSA reviews the expenses and the income from a designated service provider, and determines the financial sustainability and cost recovery of the service. Services governed under ESCOSA must operate a full cost recovery system, which requires the service provider to charge the actual cost of delivering the service.

What role does ESCOSA play in this, and why are you telling me about them?

ESCOSA are the body which grants Council the licence to supply the current non-drinking water system to the Wellington East residents. ESCOSA oversee and enforce the conditions of the licence, including the requirement for Council to cover all costs associated with providing a non-drinking water supply. These costs include operations, depreciation, capital renewal and risk.

If Council is required to adopt a 100% cost recovery model, why is it not doing that now?

Council has recently undertaken an assessment to determine all the costs of the current system. This has identified the current fee structure does not recover the costs of the water supply system. Council has decided to pause any fee increase for the system while the drinking water conversion project is being considered. Should the Wellington East Water Supply Project not proceed, Council will revise the fee structure and introduce new fees in the following financial year.

If we move to the new system, what will the costs be?

Based on the 2023/24 SA Water pricing schedule, the average annual fee based on water usage of 171kL will be \$689.31, and in effect, will be lower than staying on the current system. This includes an annual water supply charge of \$296.80. Refer to the [SA Water website](#).

How much will it cost? How will it be funded?

At this stage of Community Engagement the Council are seeking support to proceed to detailed design and cost estimation. After completion of detailed design, Council will have obtained an estimate of the cost for the required infrastructure improvements, and will be able to commence a second round of community engagement with detailed costing and funding strategies. The cost estimate will be within the range of -10% to +15%.

What is the difference between the Council Fee structure and the SA Water Fee Structure?

Council has a flat service fee per annum with a rate for usage charged on top of the annual service fee. Council also has a flat rate for usage charges.

SA Water has an annual water supply charge and a three-tier water usage criteria depending on use:

Based on average water usage of 171kL	SA Water	Council
Annual Supply Charge	\$296.80	TBC
Tier 1 – Water Use Price per litre \$0.002126 Daily Threshold 0 to 383.6L	\$2.126/kL	TBC
Tier 2 - Water Use Price per litre \$0.003035 Daily Threshold 383.6L to 1424.7L	\$3.035/kL	
Tier 3 - Water Use Price per litre \$0.003288 Daily Threshold above 1424.7L	\$3.288/kL	
Average Annual Fee \$296.80+(140 kL x \$2.126) + (31kL x \$3.035)	\$689.31	\$775.48

If the Wellington East Water Supply Project does not proceed, Council will update its fee structure with an expected cost higher than what SA Water charges as per the table above.

How will the conversion project be funded?

The project construction costs will be determined during the detailed design phase of the project.

Council will undertake modelling on different funding options using a combination of funding sources, including any or all of the following combinations:

- Council
- Grants
- Residents

A second round of Community Engagement will be undertaken to share these costs and Council's proposed funding strategy.

What are the future expansion plans? Is there a timeline on future expansion?

No timeframe on a future expansion to the wider Wellington East community has been forecast. The Council will consider the necessary provisions for an expansion to take place into the future.

Do I have to give up access to river water? If yes, can I pump water from the river to water my garden and lawns?

If the Wellington East Water Supply Project is adopted, the current river water supply network would be converted to drinking water. For access to river water, approval would need to be sought from the Department of Environment & Water (DEW): <https://www.environment.sa.gov.au/licences-and-permits/mywater>.