



**Government  
of South Australia**

TRS19D2891

Hon Stephen Mullighan MP  
Member for Lee  
Unit 1, 62 Semaphore Road  
SEMAPHORE SA 5019

**Treasurer**  
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Tel 08 8226 1866  
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Dear Mr Mullighan

**APPLICATION UNDER THE *FREEDOM OF INFORMATION ACT 1991***

I refer to your application made under the *Freedom of Information Act 1991* (FOI Act), dated 4 November 2019.

Your application seeks access to:

*"All minutes, briefings and correspondence titled 'Budget and Performance – SA Water Board Meeting – March 2019' as described on the Objective document management system, between 23 February 2019 and 4 November 2019."*

The legislative prescribed timeframe to determine this application has expired and is now deemed to have refused you access to all documents relevant to your application. I refer to my letter dated 19 November 2019 where I sought additional time to make my determination.

The purpose of this letter is to advise you of my determination. An extensive search was conducted within this office. A total of 1 document was identified as answering the terms of your application.

I grant you part access to 1 document; a copy of which is enclosed.

**Released in Part**

This document is released in part as it contains information on the procurement process to select SA Water's next service partner. Disclosure of the previous contract expenditure at this point in the tender process would likely compromise negotiation processes. It is in the public interest for SA Water to select and negotiate the best service at the lowest price which contributes to SA Water's financial viability and in turn keeps water and wastewater rates as low as possible for SA Water customers. I therefore determine this information exempt pursuant to clause 7(1)(c) to the FOI Act.

The document consist of an extract from documents which were submitted to Cabinet and are therefore exempt pursuant to clause 1(1)(c). It also contains information which, if released, would disclose details concerning a deliberation or decision of Cabinet. I have therefore determined to exempt this information pursuant to clause 1(1)(e).

## **Exemption**

### **Clause 1 – Cabinet Documents**

- (1) *A document is an exempt document—*
- (a) *if it is a document that has been specifically prepared for submission to Cabinet (whether or not it has been so submitted); or*
  - (b) *if it is a preliminary draft of a document referred to in paragraph (a); or*
  - (c) *if it is a document that is a copy of or part of, or contains an extract from, a document referred to in paragraph (a) or (b).*
  - (e) *if it contains matter the disclosure of which would disclose information concerning any deliberation or decision of Cabinet; or*
  - (f) *if it is a briefing paper specifically prepared for the use of a Minister in relation to a matter submitted, or proposed to be submitted to Cabinet.*

### **Clause 7 – Documents affecting business affairs concerning**

- (1) *A document is an exempt document—*
- (b) *if it contains matter—*
    - (i) *consisting of information (other than trade secrets) that has a commercial value to any agency or any other person; and*
    - (ii) *the disclosure of which—*
      - (A) *could reasonably be expected to have an adverse effect on those affairs or to prejudice the future supply of such information to the Government or to an agency; and*
      - (B) *would, on balance, be contrary to the public interest; or*
  - (c) *if it contains matter—*
    - (i) *consisting of information (other than trade secrets or information referred to in paragraph (b)) concerning the business, professional, commercial or financial affairs of any agency or any other person; and*
    - (ii) *the disclosure of which—*
      - (A) *could reasonably be expected to have an adverse effect on those affairs or to prejudice the future supply of such information to the Government or to an agency; and*
      - (B) *would, on balance, be contrary to the public interest.*

Please note, in compliance with Premier and Cabinet Circular PC045 - *Disclosure Logs for Non-Personal Information Released through Freedom of Information* (PC045), the Department of Treasury and Finance is now required to publish a log of all non-personal information released under the *Freedom of Information Act 1991*.

In accordance with this Circular, any non-personal information determined for release as part of this application, may be published on the DTF website. A copy of PC045 can be found at the following address: <https://dpc.sa.gov.au/resources-and-publications/premier-and-cabinet-circulars>. Please visit the website for further information.

As I am determining this application as Principal Officer, Section 29(6) of the Act does not provide for an internal review. If you are dissatisfied with my determination you are entitled to exercise your rights of external review with the Ombudsman.

Alternatively, you can apply to the South Australian Civil and Administrative Tribunal. If you wish to seek a review, Section 39(3) of the Act states you must do so within 30 calendar days of receiving the determination.

If you require any further information, please contact Vicky Cathro on 8226 9769.

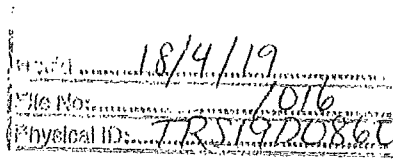
Yours sincerely

A handwritten signature in black ink that reads "Rob Lucas". The signature is written in a cursive style.

**Hon Rob Lucas MLC**  
*Principal Officer*

29 February 2020

MINUTE



MINUTES forming ENCLOSURE

Doc No A1099124

To The Treasurer

SA WATER BOARD MEETING – MARCH 2019

Timing: ROUTINE — For information only

Recommendations/Issues: It is recommended that you:

- note the enclosed report on the 1 April 2019 meeting of the SA Water Board for March 2019; and
- sign the attached minute to the Minister for Environment and Water should you wish to provide a copy of the report to the Minister.

Noted

Hon Rob Lucas MLC  
Treasurer

25/4/2019

Tammie Pitbanic  
EXECUTIVE DIRECTOR  
BUDGET AND PERFORMANCE

17/4/2019

|                  |                            |
|------------------|----------------------------|
| Contact Officer: | James Martindale           |
| Telephone:       | 0429 2171                  |
| Email address:   | James.Martindale@sa.gov.au |





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MINUTES *forming* ENCLOSURE to:                      Physical ID: TRS19D0860

**TO: HON DAVID SPEIRS MP  
MINISTER FOR ENVIRONMENT AND WATER**

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**RE: SA WATER BOARD MEETING — MARCH 2019**

Enclosed for your information is a copy of the Department of Treasury and Finance report for the SA Water Board meeting held on 1 April 2019, covering the significant issues considered at the meeting.

A handwritten signature in black ink, appearing to read 'Rob Lucas'.

**Hon Rob Lucas MLC**  
*Treasurer*

25 April 2019

Att:

**TREASURER'S REPRESENTATIVE REPORT**  
**SA WATER BOARD MEETING 1 APRIL 2019 (for MARCH 2019)**  
**(Board meeting 276)**

| FINANCIAL PERFORMANCE  |                        |                        |  |
|--|------------------------|------------------------|--|
| <ul style="list-style-type: none"> <li>To date, SA Water has allocated a total of \$1.822 billion of capital works, which is 97% of the current regulatory business period's infrastructure budget of \$1.873 billion for the four years to June 2020.</li> </ul>                                  |                        |                        |  |
|  | Variance<br>YTD<br>\$m | Variance<br>EoY<br>\$m | Comment  |
| Profit before Tax  | 21.6                   | 16.1                   | nil  |
| Revenue  | 42.5                   | 23.2                   | YTD position principally due to higher than budgeted water sales (\$21.6 m) due to dry conditions, sale of seasonal water allocations (\$8.9 m), recognition of 2017-18 unbilled water sales (\$6.5 m), recognition of Renewable Energy Certificates (\$5.3 m), higher recycled water sales (\$1.8 m) and revenue from DPTI for recoverable works (\$1.5 m). |
| Expenses   | 21.4                   | 7.0                    | YTD position principally due to higher electricity costs (\$9.0 m) from increased major pumping into reservoirs and higher prices, and higher <span style="background-color: black; color: black;">[REDACTED]</span> <span style="float: right;">Clause 7(1)(c)</span>   |
| Capital Expenditure  | 26.2                   | 40.2                   | Timing of various projects ahead of schedule principally due to favourable weather and construction conditions including NAIS which is expected to deliver efficiencies of \$8.0 m. Primarily offset by the Zero Cost Energy Future project with the project's EOY expenditure forecast to be lower than budget due to timing only (\$83.5 m).               |
| <ol style="list-style-type: none"> <li>Budget figures reported in the SA Water Board papers reflect original 2018-19 Budget rather than the revised budget.</li> <li>Excludes recoverable project work performed on a cost recovery basis.</li> <li>Totals may not add due to rounding.</li> </ol> |                        |                        |  |
| SIGNIFICANT ITEMS  |                        |                        |  |
| <ul style="list-style-type: none"> <li>No significant items</li> </ul>   |                        |                        |  |
| EMERGING ISSUES  |                        |                        |  |
| [REDACTED]   |                        |                        |  |
| clause 1(1)(c)   |                        |                        |  |

**OTHER MATTERS**

clause 1(1)  
(e)

- Water Pricing Inquiry
  - SA Water attended the Inquiry's stakeholder workshop on 4 March 2019 and discussions with the Inquirer about the treatment of contributed and legacy assets are ongoing.
- ESCOSA's Review of Third Party Access Regime
  - Management advised that ESCOSA published its draft report for public comment.
  - ESCOSA's draft findings were that the access regime should continue for a further five-year period from 1 July 2019 based on the short period of time it has been in operation (since 2016), the low regulatory cost of operating the regime, and the fact that in March 2017, the National Competition Council concluded that SA met the criteria to be certified effective and that the regime was certified as effective by the Commonwealth Minister.
- ESCOSA Customer Services Standards
  - SA Water met 14 out of 18 regulated customer service standards year-to-date. Service standards not met included metro and regional water network breaks, leaks and bursts not being met within required timeframes and sewerage network overflows not being met within required timeframes. Factors impacting these service standards include the long distances travelled (over 75km) and resource availability.
- 2017-18 National Performance Report (NPR)
  - The NPR report was published on 28 February 2019 by the Bureau of Meteorology. The NPR compares the performance of water service providers across Australia.
  - SA Water experienced the largest increase (14.6%) in average water volume supplied per residential property largely due to drier weather, the greatest increase in typical residential bills (7%, but currently sitting at eighth out of 15 peers), the fifth lowest for water main breaks but the highest number of sewer breaks, and the fourth lowest combined water and sewerage operating costs (a reduction of 1.1% from 2016-17).
- Opening Reservoirs for Recreational Access
  - Management provided an update on the opening of reservoirs for recreational access. The initial opening of part of Myponga Reservoir reserve for bushwalking, cycling and picnicking is planned by Easter 2019.
  - The proposed expansion of existing recreational access to Warren and Bundaleer reservoirs will now be delayed until after Easter, and concept work for access to the South Para Reservoir is progressing.

clause 1(1)  
(e)

clause 1(1)  
(e)