

12 October 2017

Mr Adam Wilson Chief Executive ESCOSA GPO Box 2605 ADELAIDE SA 5001 SOUTH AUSTRALIAN
WATER CORPORATION

SA Water House 250 Victoria Square/Tarndanyangga Adelaide South Australia 5000

GPO Box 1751 Adelaide SA 5001

Telephone 1300 650 950

ABN 69 336 525 019

Dear Adam

Application to vary operating area of SA Water Operator License

SA Water will take over operation of two reticulated water schemes - one at Leigh Creek, and the Virginia Pipeline Scheme at Angle Vale. Operational handover is anticipated in January 2018.

In preparation for operational handover, SA Water is applying for a variation to the operating area and infrastructure covered by the current operator license.

Confirmation has been provided by our business development team that the ESCOSA service standards under the existing non-standard current agreement can be met for Leigh Creek.

SA Water will fulfil the existing contract in place for Angle Vale, and the scheme will be operated under a non-standard SA Water contract for a period of time. These contract conditions are provided with the application.

Included with our application is the ESCOSA variation form, scheme details and area maps, and a copy of the existing contract in place for the Virginia Pipeline Scheme.

If you require any additional information please don't hesitate to contact me or Ms Claire Pullan, Manager Compliance, via email <u>claire.pullan@sawater.com.au</u> or telephone 7424 1489.

Yours sincerely

Roch Cheroux

CHIEF EXECUTIVE







APPLICATION FORM FOR THE ISSUE OF A LICENCE BY THE ESSENTIAL SERVICES COMMISSION OF SA UNDER THE WATER INDUSTRY ACT

Application Form

THIS REGULATORY DOCUMENT SHOULD BE READ IN CONJUNCTION WITH THE FINAL ADVICE



Enquiries concerning the currency of this form should be addressed to:

Essential Services Commission of South Australia GPO Box 2605 Adelaide SA 5001

Facsimile:

(08) 8463 4449

Telephone:

(08) 8463 4444

Freecall:

1800 633 592 (SA and mobiles only)

E-mail: Web: licensing@escosa.sa.gov.au www.escosa.sa.gov.au

AMENDMENT RECORD (since MONTH 2012)

Issue No.	Commencement Date	Pages
AF1/1	AUGUST 2012	

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Application Form

INFORMATION FOR APPLICANTS BEFORE FILLING OUT THIS FORM

Purpose of this form

This form is to be completed by persons making an application to the Essential Services Commission of South Australia (the **Commission**) for the issue of a licence to provide a retail service (or undertake any other activity for which a licence is required by the regulations) in the water industry in South Australia.

The Commission may consider joint applications from two or more persons who wish to hold a licence jointly. Persons making joint applications must ensure that each of the applicants completes a separate application form together with a covering letter explaining that the application is for a licence to be jointly held.

Basis for this form

Section 19(1) of the *Water Industry Act 2012* (the **Act**) provides that an application for the issue of a licence must be made to the Commission in a form approved by the Commission. This is the form approved by the Commission.

Use of this form and applicant's responsibility

For the purpose of this application form, a reference to the term "Officer" include the applicant's directors and secretary, and/or other persons who make or participate in making decisions that affect a substantial part of the business of the applicant (e.g. Chief Executive Officer, Chief Financial Officer, General Manager etc.).

Applicants should list the information requested in the spaces provided in this form and enclose additional information when required. Applicants must take all reasonable steps to ensure the information provided in the application form is complete, true and correct and are required to make a declaration to that effect. Failure to disclose information or misrepresent any matter relevant to such information may result in a licence not being issued or in the suspension or cancellation of a licence at a later time.

Applicants are responsible for providing the Commission with current, accurate and relevant information. This will ensure that the application is processed promptly and without delay. All applications are assessed on a case-by-case basis. If insufficient information is provided with an application, the Commission will request additional information to be submitted before the application is considered further. This may cause delays in the assessment of the application.

Application Form

Prior reading

It is essential that licence applicants read the Commission's Water Bulletin – "Licensing Arrangements for the Water Industry" before they fill out this form. This Bulletin is available on the Commission's website www.escosa.sa.gov.au under water/licensing. Applicants should also familiarise themselves with the regulatory obligations set out in the Act and the Water Retail Code that will apply to entities that provide retail services.

Licence conditions

Section 25 of the Act requires the Commission to impose certain conditions in licences. The Commission strongly recommends that applicants review these mandatory conditions. Applicants must be familiar with the relevant conditions and be confident that they can comply with the conditions. The Commission will have regard to the scale and nature of the operations undertaken by an applicant in imposing these conditions and will be available to consult with an applicant in this regard.

Consultation and Confidentiality

The Commission will consult with relevant government, industry and consumer groups in the conduct of its licensing functions through a public consultation process. Consequently, applications and/or supporting information will be made available on the Commission's website and in hard copy from the Commission's office for this purpose.

If applicants believe that they are providing confidential information when completing this form they should write "this information is confidential" after any such information. It is the applicant's responsibility to ensure this is clearly highlighted on the form. Applicants should also provide a 'non-confidential' version of the form capable of publication on the Commission's website.

The Commission will use information supplied in applications and in support of applications in accordance with the requirements of Part 5 of the *Essential Services Commission Act 2002*. Applicants claiming confidentiality are encourage to familiarise themselves with Part 5. Applicants should note that the Commission may be required to disclose confidential information in some circumstances.

Application Form

How to lodge an application

Applicants should send their completed application form in writing and electronically.

In writing to:

Essential Services Commission of SA

GPO Box 2605

Adelaide SA 5001

Electronically to: licensing@escosa.sa.gov.au

Application fee

Applicants must also enclose an application fee (which is to be set by the Treasurer) with their application. This fee must be received by the Commission in cleared funds before it can commence assessing an application.

Annual licence fee

Holding a licence incurs an annual licence fee. The licence fees are set by the Treasurer, however, are collected by the Commission. At annual intervals, the Commission, on behalf of the Department of Treasury and Finance, will send to each licensee an invoice for the relevant annual licence fee. Licence fees are to be paid on receipt of an invoice via one of the payment options set out in the invoice.

A licence cannot be issued until the first annual licence fee has been paid.

Application Form

1. THE APPLICANT

Applicants must answer all questions in this section.

1.1. Identity of applicant

State the full name of the applicant. The applicant should be the person/entity that will be providing a retail service (e.g. retail or distribution operations etc). The Commission can also consider joint applications from two or more persons who wish to jointly hold the licence. Joint applicants should each complete an application form, and submit their application forms at the same time, with a covering letter explaining that a joint application is being made.

Name: South Australian Water Corporation

1.2. Legal identity of applicant

Provide information about the applicant, (i.e. whether the applicant is a natural person, proprietary limited or public company, partnership or local government body etc). If the applicant is a body corporate, please also state the jurisdiction in which the applicant is registered, and the applicant's ABN/ACN.

Local Government Body

1.3. Address and Contact Details of applicant

Business Address:

250 Victoria Square, Adelaide

State: SA

Post Code: 5000

Postal Address (if different to Business Address):

GPO BOX 1751

State: SA

Post Code:

5002

Telephone: 1300 650 950

Application Form

1.4. Contact Person on behalf of applicant

The full name, title and contact details of a person to whom the Commission can direct enquiries and correspondence about the application.

Full Name: Claire Pullan

Title: Manager, Compliance

Business Address:

250 Victoria Square, Adelaide

State:

South Australia

Post Code: 5000

Telephone:

7424 1489

E-mail: compliance@sawater.com.au

Contact person for licence fees

The full name or title of the person to whom the Commission can direct enquiries and correspondence about licence fees.

Not Applicable - Variation

Application Form

2. THE LICENCE

Applicants must answer all questions in this section.

2.1. A detailed description of the retail services for which a licence is sought

For example:

Water: drinking- residential and/or non-residential;

Water: non-drinking - residential and/or non-residential;

Sewerage: residential and/or non-residential; and

Sewerage - trade waste - non-residential.

Applicants should provide detailed information in respect of where the retail services will be provided and to whom (i.e. type and number of customers)

Multiple schemes are included in this variation. Please refer to attached SA Water 'License Variation Check List' for each proposed scheme.

Please refer to attachment 1 and attachment 2 for specific scheme information.

2.2. Date from which Licence is sought

If the applicant seeks to have the licence issued by a certain date, provide this date. Please note that the Commission does not undertake to issue the licence by this date. Applicants should usually allow the Commission a minimum of twelve weeks to consider an application, as a public consultation period of several weeks forms part of the Commission's consideration of licence applications.

01/01/2018 for both schemes.

Application Form

3. SUITABILITY OF APPLICANT TO HOLD A LICENCE

Applicants must answer all questions in this section.

3.1. Standard of honesty and integrity shown by applicant

In deciding whether the applicant is a suitable person to hold a licence, the Commission may:

- consider the applicant's previous commercial and other dealings, and
- the standard of honesty and integrity shown in those dealings.

Please provide information that will assist the Commission in its consideration of this matter. If the applicant:

- has been found guilty of any criminal offence,
- has been successfully prosecuted under any Territory, State or Commonwealth legislation (such as the Australian Securities and Investments Commission Act 2001 or the Competition and Consumer Act 2010); or
- has been the subject of disciplinary action,
- details of such matters must be disclosed. Failure to disclose such information or misrepresent any matter relevant to such information may result in the cancellation of a licence.

The Commission may use the service of an external expert to assist with the assessment of the applicant's standard of honesty and integrity.

Not Applicable - Variation

3.2. Standard of honesty and integrity shown by officers and major shareholders (if relevant) of the applicant

Applicants should address responses to this question in the same manner as 3.1 above.

Not Applicable - Variation

Application Form

Code:

3.3. Names and addresses of the officers of applicant

State the names and addresses of the officers of the applicant. "Officers" of the applicant include the applicant's directors and secretary, or other persons who make or participate in making decisions that affect a substantial part of the business or operations of the applicant that will be licensed.

Not Applicable - Variation - none of these details have changed Full Name: Date of Birth: Office Held: **Business Address:** State: **Post** Code: Full Name: Date of Birth: Office Held: **Business Address:** State: **Post**

.....

Application Forr	n		
Full Name:			
Date of Birth:			
Office Held:			
Business	Address:		
State: Code:		Post	*

Application form for the issue of a licence by the Essential Services Commission of SA under

the Water Industry Act 2012

(attach additional pages if necessary)

Application Form

3.4. Names and addresses of major shareholders of applicant (not relevant for local council applicants)

Not Applicable - Variation

3.5. Details of the group members (not relevant for local council applicants)

This is information about entities controlled by the applicant, or by the ultimate parent entity of the applicant (if applicable).

Not Applicable – SA Water has advised ESCOSA of changes to these memberships as per the existing license conditions.

SA Water would appreciate clarification on the definition of 'group members'. Can this be applied to Board Members only, or does ESCOSA require this to apply to General Managers as well?

3.6. Additional information

Please answer the following questions.

• Is the applicant a resident of, or does it have permanent establishment in, Australia? If the answer to this question is "no", please provide further details.

Yes

• Is the applicant under external administration (as defined in the Corporations Act 2001) or under a similar form of administration under any laws applicable to it in any jurisdiction? If the answer to this question is "yes", please provide further details.

No

• Is the applicant immune from suit in respect of the obligations under the Water Industry Act 2012? If the answer to this question is "yes", please provide further details.

No

• Is the applicant capable of being sued in its own name in a court of Australia? If the answer to this question is "no", please provide further details

Yes

Application Form

3.7. Financial resources available to the applicant

Provide information about the financial resources available to the applicant which provides sufficient evidence of the current and ongoing financial capacity of the applicant to effectively provide the relevant retail services (e.g. bank guarantees, credit history and business continuity arrangements).

If the applicant is a company, please enclose a copy of the audited (and Board approved) profit and loss statement and balance sheet for the previous two financial years, including the director's report and the audit opinion. If the applicant is a subsidiary company, please also provide a copy of the audited profit and loss statement and balance sheet of the applicant's parent company for the previous two financial years.

If an applicant is a local council, please enclose a copy of the audited profit and loss statement and balance sheet for the previous two financial years.

Applicants should also submit copies of business plans which detail the strategic direction of the applicant, including its objectives, identified opportunities in the market place and forecast results.

Please refer to SA Water annual report, available from sawater.com.au http://www.sawater.com.au/about-us/annual-reports

Please note that the 016-2017 annual report is not yet published, but financials have been attached.

3.8. Human resources available to the applicant

Provide information about the human resources available to the applicant, for example, the number of employees and the experience of these employees in providing the services for which the licence is sought. If the applicant will employ contractor/s to assist with the licensed operations, please provide the name of that contractor/s, and details about the experience of the contractor/s in such operations and details of the processes in place to ensure the contractor/s will comply with the regulatory obligations imposed by the licence.

Please refer to attachment 1 and attachment 2

Application Form

3.9. Technical resources available to the applicant

Applicants are asked to provide details about the availability of technical resources to be used in carrying out the services for which a licence is sought. The information should include details about the technically qualified staff available to the applicant and (if relevant) of experience gained in similar operations.

Applicants must also provide sufficient details of the systems and processes to be used to market and/or communicate with customers, to provide bills, to follow up payments and process customer move-ins and move-outs and deal with customer enquiries and complaints.

Please refer to attachment 1 and attachment 2

3.10. Contracts

Applicants must provide reasonable evidence that they are able to meet reasonably foreseeable obligations under contracts for the sale and supply of water or the sale or supply of sewerage services (or both) as the case may be. Such contracts would include contracts whereby the applicant is reliant on a supply of water or specific sewerage service from a third party which is intends to on sell to its customers.

Please refer to attachment 1 and attachment 2

Application Form

3.11. Suitable and appropriate infrastructure

The Commission may not issue a licence unless it is satisfied that the infrastructure to be used in connection with the relevant service is appropriate for the purposes for which it will be used. Applicants are therefore asked to provide a detailed description of the infrastructure that will be utilised by the applicant in providing the retail services for which the licence is sought and verify that the infrastructure has been (or will be) developed in accordance with relevant Australian Industry Codes and Australian Standards with reference to technical specifications or reports.

If an applicant does not own the infrastructure to be used in delivering the relevant retail services, the applicant must provide information regarding the appropriateness of that infrastructure and of the binding arrangements that are (or will be) in place with the owner of the infrastructure in regards to the use of the infrastructure.

Please refer to attachment 1 and attachment 2

3.12. Risk management

Provide confirmation and reasonable evidence that the applicant's management has identified the risks associated with the retail services it intends to provide and has established, utilises and relies upon risk management systems and processes which are adequate, accurate and current to address those risks. A copy of the applicant's risk management strategy should be submitted.

Please refer to attachment 1 and attachment 2

3.13. Licences held by the applicant in other Australian jurisdictions

If the applicant holds, or has previously held, a retail services licence or equivalent in other Australian jurisdictions please provide details. If a licence previously held has been suspended or cancelled, please provide details.

Not Applicable - Variation

3.14. Previous unsuccessful licence applications in other Australian jurisdictions

Please state whether the applicant has applied for a water retail licence or equivalent in another Australian jurisdiction and not been issued with a licence, and provide relevant details.

Not Applicable - Variation

3.15. Licences held by associates of the applicant

If an associate of the applicant (within the meaning of the Corporations Act) holds a water retail licence in South Australia or in other Australian jurisdictions, please provide details.

Not Applicable - Variation

Application Form

3.16. Compliance program

Applicants are required to submit a copy of their Compliance Program which details what compliance systems the applicant has (or will have) in place and a description of how these systems will ensure compliance with the applicable regulatory obligations imposed by a licence and the Water Retail Code. The Commission expects that a Compliance Program will, as a minimum, document:

- the obligations that will apply to the applicant;
- the processes that are (or will be) in place to ensure the applicant's compliance with obligations;
- details on how compliance is monitored;
- details of how non-compliance will be reported and rectified; and
- details of any internal audit programs in place that review (or will review) the effectiveness of the Compliance Program from time to time.

Not Applicable - Variation

3.17. Additional information

The Commission encourages applicants to provide any additional information they consider would be of assistance in supporting the application. Please provide below.

Application Form

4. FACTORS SPECIFIED IN THE ESSENTIAL SERVICES COMMISSION ACT 2002

In considering a licence application, the Commission must have as its primary objective the protection of the long term interests of consumers with respect to the price, quality and reliability of essential services, and must also have regard to the need to:

- a) promote competitive and fair market conduct;
- b) prevent misuse of monopoly or market power;
- c) facilitate entry into relevant markets;
- d) promote economic efficiency;
- e) ensure consumers benefit from competition and efficiency;
- f) facilitate maintenance of the financial viability of regulated industries and the incentive for long term investment;
- g) promote consistency in regulation with other jurisdictions.

If the applicant believes that information about their application would assist the Commission in its consideration of these factors, the applicant should provide such information below.

Not Applicable – Variation

5. APPLICATION FEES

Applicants for a licence must pay the Commission an application fee which is fixed by the Treasurer. Please enclose this fee with the application. An application cannot be considered until this fee has been received.

Not Applicable – Variation

Application Form

DECLARATION

All information in this application for the issue of a licence to authorise the provision of retail services in the water industry in South Australia must be verified by a Statutory Declaration of the applicant, in accordance with the provisions of the Oaths Act 1936 (SA)¹, stating that the information contained in the application is true and correct to the best of the applicant's knowledge, information and belief.

In conjunction with this declaration, evidence of the relevant authority of the declarant to sign on behalf of the applicant must also be provided to the Commission.²

Statutory Declaration
Roch Cheroux
of South Australian Water Corporation
do solemnly and sincerely declare that the information contained in this Application for the issue of a licence to authorise the provision of retail services in the water industry in South Australia is true and correct to the best of my knowledge information and belief.
And I make this solemn declaration conscientiously believing the same to be true, and by virtue of the provisions of the <i>Oaths Act 1936</i> .
Date 12/10/2017
(Where the applicant is a body corporate, the declaration must be made by a person authorised by body corporate to sign on its behalf)
Declared at:this day of20
Before me:

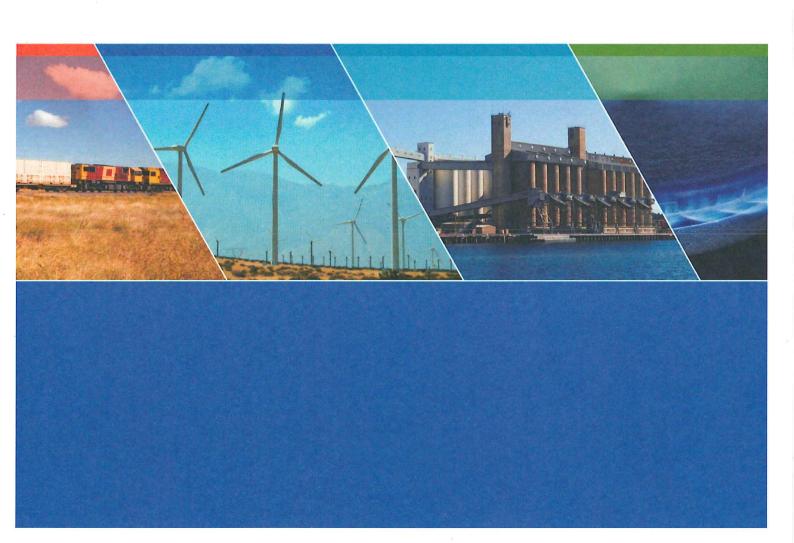
¹ Or equivalent legislation in other Australian jurisdictions.

² The Commission will accept a copy of a Board or Council minute (or circulating resolution) giving approval for the declarant to sign on behalf of the applicant as evidence of the relevant authority.



THE ESSENTIAL SERVICES COMMISSION OF SOUTH AUSTRALIA Level 8, 50 Pirie Street Adelaide SA 5000 GPO Box 2605 Adelaide SA 5001 T 08 8463 4444 | F 08 8463 4449

E escosa@escosa.sa.gov.au | W www.escosa.sa.gov.au



ESCOSA License Variation - Leigh Creek



1 Purpose

The purpose of this document is to provide as much operational information as possible relating to areas where SA Water will extend provision of their regulated retail services.

This information is provided to ESCOSA as part of their 'License Variation' process.

If you have any questions or queries relating to regulated service requirements, please contact SA Waters **Regulation Specialist.**

If you have any questions or queries relating to the variation process, please contact the **Compliance Manager.**

Once completed, please provide this form to the Compliance Manager.

2 Scheme Details

Scheme / Entity Name: Leigh Creek Water and Wastewater

Description of the scheme and it's components:

Supply of water and disposal of wastewater for Leigh Creek Township.

Components of the water system include:

- Water bore system;
- Water Treatment Plant; and
- Water distribution system.

Components of the water system include:

- Wastewater Treatment Plant;
- Wastewater collection system; and
- Water reuse system.

Wholesale Contracts;

Copely Progress Association – Approx 80 customers – coprely currently have a retail license Lyndhurst - 11 customers – looking to apply for a retail license

Wholesale contract will remain in place for both of these schemes, but state wide pricing will apply. SA Water is in discussions with both scheme to take on their customers and become the retailer. Should additional variations be required, these will be completed in due course.

#	Item	Comments
01	Expected Go Live Date	1 January 2018
02	Number of Customers	5 (Adnyamathanha (Leigh Creek Station), DECD, DPTI (150 properties associated to DPTI Customer), Flinders Power, OCA – Recycled Water Arrangement)
03	Type of Service Provided	Water: drinking- residential and non-residential; Water: non-drinking – reuse non-residential; and Sewerage: residential and non-residential.
04	Current Operator	SA Water (Previous Operator Flinders Power)
05	Is the recipient of the service expected to be on selling the water provided?	No
06	Standard or Non Standard Customer Contract?	Standard
07	How will the area be resourced and serviced?	Through SA Water maintenance.
08	Do the standard performance measures under the standard customer contract apply?	Yes
09	How soon would technical resources be available to respond to faults and maintenance in the area?	Two SA Water Field Services employees based in Leigh Creek. Maintenance Support provided by Crystal Brook Workshop. SA Water is confident that within the township of Leigh Creek, standard suburban performance standards can be met and maintained.
10	Does the scheme rely on Non SA Water Infrastructure?	No .
11	Risk Management	 SA Water have prepared: General Risk Assessment Water System Risk Assessment Asset Management Plan including Plant & Equipment risk assessment.

2.1 Geographic Information

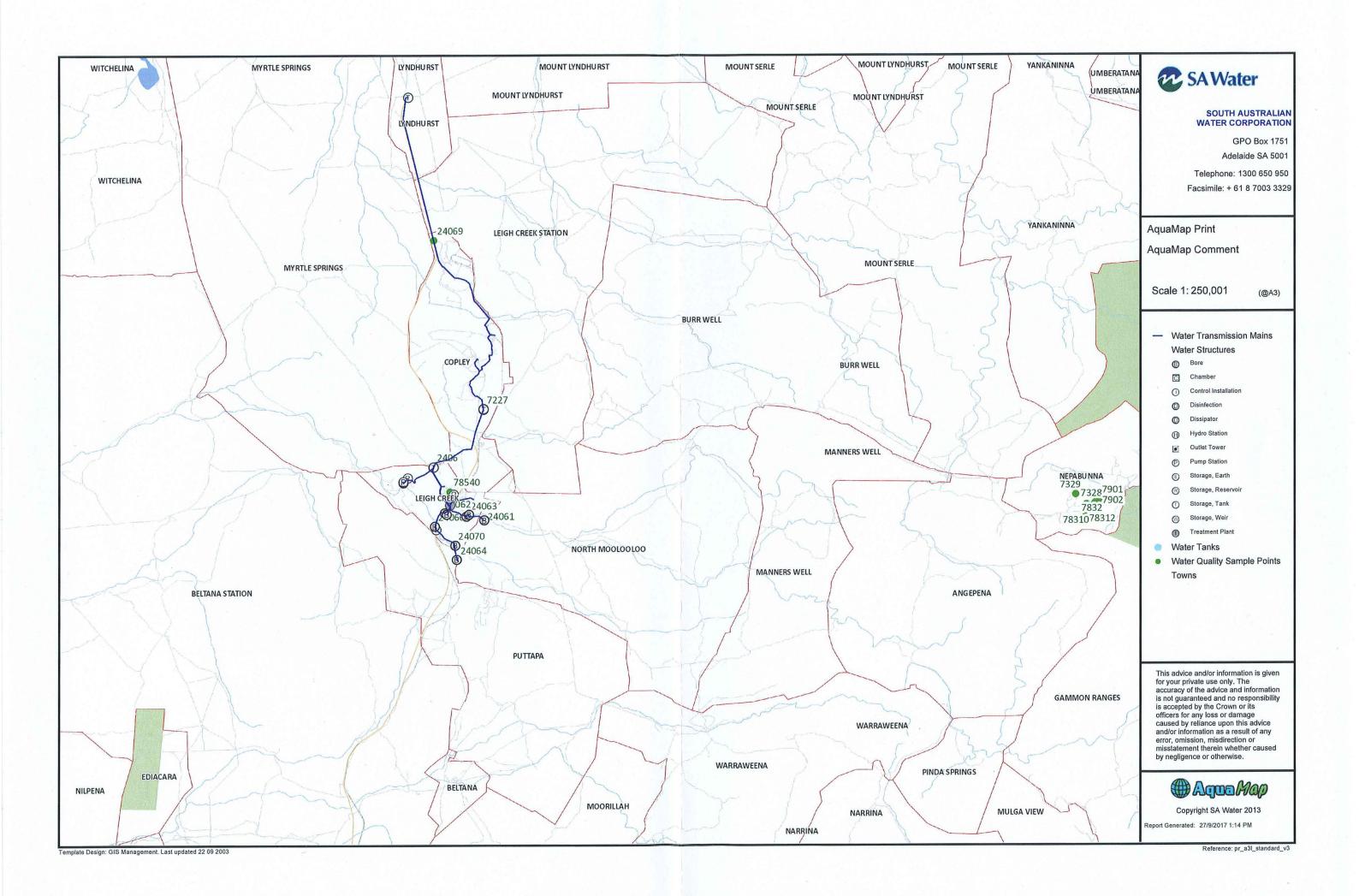
Geographic area includes:

- Township of Leigh Creek.
- Bore field south of Leigh Creek.
- Water distribution north to Leigh Creek Station and Leigh Creek Coal Mine.

Version History

Version	Date	Author	Comments
0.01	08/06/17	Claire Pullan	First draft.

Template: Document - Short Portrait Version 3.01 23/06/16



		contractually obliged to honour the existing Trility customer
	inglen sidjerung zu nooggenorgi geogra	supply agreements. This means the existing agreements are effective up until 30 June 2018, at which time a standard customer contract will be considered. A copy of the Trility Customer Rules is included with this
		license variation.
07	How will the area be resourced and serviced?	Will be serviced with SA Water Account Manager resources and and O&M provider (see 04).
08	Do the standard performance measures under the standard customer contract apply?	No, please refer to question 06
09	How soon would technical resources be available to respond to faults and maintenance in the area?	Yes, existing levels of resourcing through an O&M provider will not change.
10	Does the scheme rely on Non SA Water Infrastructure?	No – SA Water will own all infrastructure up to and including the customer meters
11	Risk Management	A combined NAIS/VPS risk assessment was done last year.

2.1 Geographic Information

Refer to map attached.

Version History

Version	Date	Author	Comments
0.01	01/08/17	Claire Pullan	First draft.
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Template: Document - Short Portrait Version 3.01 23/06/16



License Variation - Virginia Pipeline Scheme

1 Purpose

The purpose of this document is to provide as much operational information as possible relating to areas where SA Water will extend provision of their regulated retail services.

This information is provided to ESCOSA as part of their 'License Variation' process.

If you have any questions or queries relating to regulated service requirements, please contact SA Waters **Regulation Specialist.**

If you have any questions or queries relating to the variation process, please contact the **Compliance Manager.**

Once completed, please provide this form to the Compliance Manager.

2 Scheme Details

Scheme / Entity Name: Virginia Pipeline Scheme

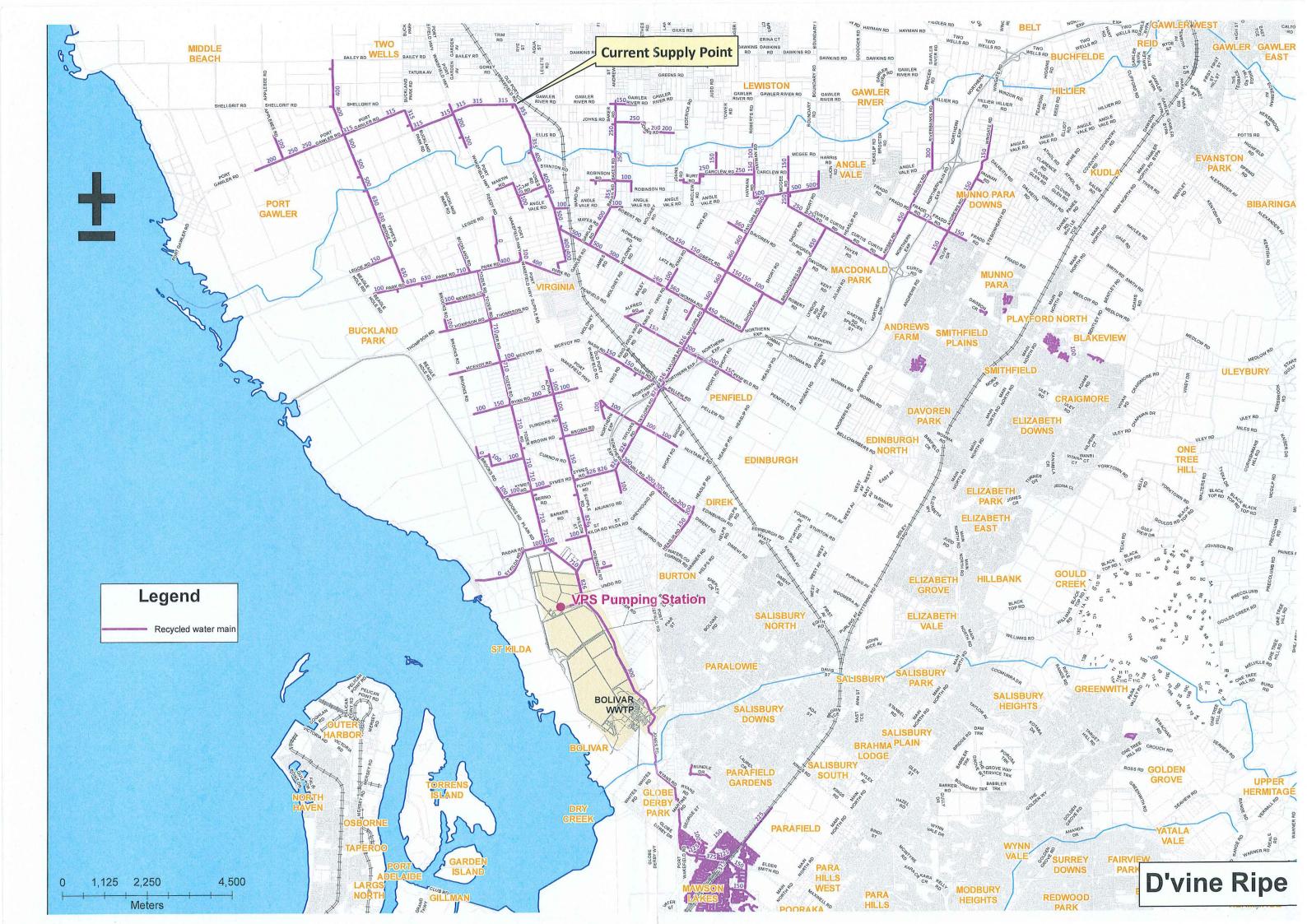
Description of the scheme and it's components:

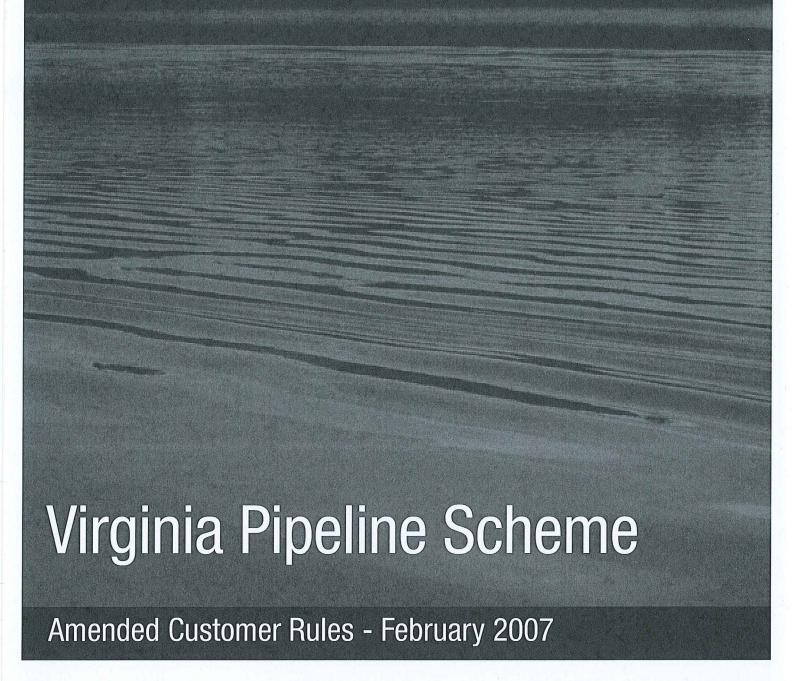
Recycle water scheme provides recycled water from the Bolivar Wastewater Treatment Plant for horticultural irrigation to around 360 customers in Virginia and surrounds.

Not an 'on demand' system, with customer requiring a minimum of 24 hours of water storage on site.

Existing infrastructure to become SA Water Assets.

#	Item	Comments
01	Expected Go Live Date	01/01/2017
02	Number of Customers	360 customers, approx. 400+ connections
03	Type of Service Provided	Recycled Water for irrigation.
04	Current Operator	Trility. Process underway to select the service delivery model and Operations & Maintenance Operator. Trility and the Adelaide Services Contract (Allwater) are both candidates.
05	Is the recipient of the service expected to be on selling the water provided?	No.
06	Standard or Non Standard Customer Contract?	Non Standard SA Water is contractually obliged to negotiate pricing and terms and conditions for supply with the Virginia Irrigation Association (VIA). If agreement is not reached SA water is







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All Customers agree to be bound by these Rules including the attached Schedules

1 Contract

1.1 Term of Contract

The initial term of the Contract is from when water supply to a customer commences to 1st January 2018.

1.2 Renewal

Contracts to be renewed with SA Water.

1.3 Suspension and termination of Contract

1.3.1 Termination by WRSV

A Contract may be suspended or terminated by WRSV in response to any of the following defaults by a Customer:

- · Breach of these Rules:
- · Non-payment of annual fees or other fees as set out in Schedule A.

The process for WRSV suspending or terminating a Customer Contract is as follows:

- The Customer will be advised in writing of any default at any time after WRSV becomes aware of a default;
- · The Customer has 30 days from the date of notice in which to make good the default;
- If the Customer has not rectified any default in 30 days, the supply to the Customer's property will be suspended;
- The Customer has a period of 60 days from the initial notice to make a written submission to the Pipeline Management Committee as to why the Customer should not be disconnected;
- The Pipeline Management Committee must then decide, within 90 days of the initial notice, whether to reinstate the supply, continue suspension until the default is rectified if the default is capable of remedy, or terminate the supply Contract;
- The Pipeline Management Committee will advise the Customer by notice of its determination and its determination shall be binding:
- Where the Contract is terminated WRSV may remove all its property, including Pipelines and Meters, from the Customer's land and may carry out such works as it considers necessary to make good the land.

The Customer acknowledges that the termination shall not prejudice the rights and remedies of WRSV which arose prior to the termination.

Without limiting the above, a Customer whose Contract has been terminated in accordance with this section is liable for:

- All fees due at the date of termination including all water fees, based on a normal Annual Contract Quantity, for five years from the date of termination, or if the contract would otherwise run for a lesser period, that lesser period;
- The cost of disconnection including the cost of removing the Pipeline and Meter, and making good the Customer's property and pipes and fittings;
- All the cost and expenses (including legal costs on a solicitor and client basis) incurred by WRSV in connection with the breach or default and recovery of the amounts due by the Customer.

Customers whose Contracts have been terminated pursuant to this section for any reason, who subsequently require supply must re-apply on the terms and conditions then being offered to new Customers.

1.3.2 Termination by the Customer

A Customer may at any time terminate the Contract by giving five years notice in writing, subject to payment of all fees for the disconnection at the time of disconnection as set out in Schedule A.

Customers may also terminate the Contract by giving two years notice in writing if the Pipeline Water Quality Committee (PWQC) has determined that there has been a sustained and significant decline in water quality in the water supplied to the Customer which will include having regard to historical water quality data. The notice of termination can be made at any time by the Customer while the determination has not been withdrawn by the PWQC. (See Section 1.7.)

A Customer who, for any reason, terminates a Contract, who subsequently requires supply must re-apply on the terms and conditions then being offered to new Customers.

A Customer who has terminated a Contract for reasons of a determination by the PWQC that there has been a significant and sustained decline in the water quality may within a period of one year following the withdrawal of the determination by the PWQC, re-apply for connection. If water is available, WRSV will provide re-connection to the Customer on the terms and conditions that are applicable at the time to Customers who have remained connected.

Where a customer has successfully made a claim under Section 4.2 or successfully claimed damages against WRSV resulting from a breach by WRSV of these rules, then nothing in this section shall adversely impact on the customer's right under common law to have this contract terminated.

1.4 Expiry of Water Contract

On expiry of the Contract or on expiry of any renewal of the Contract, WRSV may remove all of its property including Pipelines and Meters from the Customer's land and may carry out such works as might be required to make good the land.

1.5 Transfer of Contract

WRSV, subject to the conditions set out in this Section 1.5, will, on application by a Customer, transfer all or part of the entitlement to water from a Contract to another property in the Irrigation Area. The Customer to whom the water is transferred is to be subject to those Customer Rules and the Water Use Rates set out in Table 1 in Schedule A will apply.

A transfer will be approved if, in the opinion of WRSV, the transfer can be made without unduly affecting the capacity to supply other Customers or without affecting Pipeline system stability, utilisation or performance and WRSV is satisfied that:

- (a) The financial standing of the transferee is satisfactory;
- (b) The transferee has not in the last five years been refused supply or had supply terminated by WRSV;
- (c) All required payments have been made;
- (d) The Customer agrees to the cost of supply and to meet all charges as provided in these rules:
- (e) The transfer is for a period of at least one Season (Summer, Shoulder or Winter).

Applications for consent for transfers are to be made in writing to WRSV and are to be accompanied by the fee set out in Schedule A.

Transfers will normally only be available within the area already serviced by the Pipeline.

Should any modifications, replacements or other works be required to the Pipeline or Meters to carry out the transfer, these are to be carried out by WRSV and are to be paid for by the Customer prior to the transfer. The charges payable will be those set out in Section 5 of Schedule A.

The Customer remains responsible for all obligations under this Contract up until the time that WRSV approves the supply of water to any new Customer or transfer to any property owned by the Customer making the transfer. Supply will not be made available to the purchaser unless the transfer has been completed as required in these Rules.

Transfers of Contracts will be carried out within 60 days except for transfers that occur with a sale of land which will be carried out by WRSV within 30 days of the application having been received.

1.6 Interruption of supply

WRSV is to use its best endeavours to ensure continuity of supply. Subject to these rules, the following interruptions of supply may occur with no penalty to WRSV:

- Any SA Water interruption of supply brought about by mechanical or electrical failure where interruptions are of less than 24 hours duration, limited to a maximum of three events in any Season;
- Health emergency where a Government Agency intervenes with the operation of the SA Water Bolivar plant or the Pipeline on the grounds of a serious threat to public health and safety, limited to the period of the emergency, provided that such an emergency does not exceed 48 hours;
- Pipeline and Meter damage and any other causes directly attributable to WRSV (maximum duration up to 16 hours after notification);
- Cleaning of pipes and other repairs carried out in the period 1 May to 31 July (maximum supply interruption up to one week in any one year);
- Industrial action by employees of WRSV, where this industrial action arises from a dispute
 that is not between the Pipeline workforce and WRSV or its appointed operator. Similar
 assurances will be sought by WRSV from SA Water in the Water Supply Agreement.
 WRSV will use its best endeavours to ensure that the Pipeline continues to operate during
 any period of industrial action.
- Flood, fire or earthquakes to the extent that they affect the capacity to supply water.

Where failure to supply a Customer the Minimum Daily Quantity for the above causes exceeds the period of interruption stated or where there are more than 10 interruptions per season of more than one hour, the Customer will be entitled to claim a payment equal to three times the applicable seasonal water use rate per kilolitre, at the rate of the Minimum Daily Quantity for all hours during which supply to the Customer is interrupted.

In addition, should the total number of supply interruptions for any reason exceed seven days in any of the three Seasons, the Customer will be entitled to claim a refund at the rate of the Minimum Daily Quantity and the applicable water use rate for the Season for the period of supply interruption in that Season. This payment will include any payments made under the provisions described above so that for any day on which supply is interrupted the amount paid will not exceed three times the Minimum Daily Quantity.

1.7 Water quality

WRSV will supply water at a quality which will meet the specification set out in Schedule B.

WRSV undertakes that water supplied by SA Water into the Pipeline and delivered by WRSV under the Contract can be used from the Customer connection for irrigation of crops without any restrictions imposed by the Department of Health (DH).

WRSV will manage the Pipeline in such a way as to minimise any deterioration in the water quality while it is in the pipeline.

The water is not to be used for drinking, swimming, food preparation or packaging, or for in-home or home gardening purposes or for drinking by livestock.

WRSV will use its reasonable endeavours to ensure that SA Water maintains the quality of the water within specifications set out in Schedule B, and to meet government agency guidelines for sustainable agricultural irrigation subject to the Customer always making appropriate selection of crops and using appropriate farming and land management methods and practices.

A Pipeline Water Quality Committee (PWQC) comprises representatives of WRSV, DTEI, SA Water and the VIA. The PWQC is responsible for monitoring, at regular intervals, the quality of water supplied to the Pipeline and delivered to Customers.

In the event that the PWQC determines that there has been a sustained and significant decline in water quality, a Customer will have the right to terminate his or her contract by giving two years notice from the date on which the PWQC makes its determination as set out in Section 1.3.2. WRSV will provide notice to Customers of any such determination.

1.8 Quantity of water supplied

WRSV will make available to each Customer during the term of the Contract:

Annual Contract Quantity

· An annual quantity of water

Additional Quantity

 At the Customer's discretion, an additional quantity of water being up to 15%, of the Annual Contract Quantity.

Minimal Daily Quantity

 A minimum daily quantity of water being not less than 0.54% of the Annual Contract Quantity. This is the minimum quantity of water to be supplied on any day and includes any Additional Quantity and Excess Water taken on that day.

For each Contract, the Annual Contract Quantity, the Additional Quantity and the Minimum Daily Quantity will be advised to the Customer in writing at the time of WRSV's acceptance of the Customer's offer to purchase water.

WRSV does not guarantee any maximum daily flow. Outlets to Customer properties will include an orifice plate or other restraining device that may restrict the volume of water available so that the maximum daily flows may be close to the Minimum Daily Flows.

Upon application by the Customer, and as determined by WRSV, WRSV may supply on a daily or monthly basis, Excess Water which is water in excess of the Annual Contract Quantity and the Additional Quantity.

Seasons

For the purposes of determining Seasonal water charges:

Summer means the period of 125 days from 15 November to 20 March;

Shoulder means the period of 120 days from 16 September to 14 November, and from 21 March to 21 May;

Winter means the period of 120 days from May 22 to September 15.

The Customer agrees to pay for water

The Customer agrees to pay for all water in accordance with the water supply charges set out in Schedule A Section 2. The Customer agrees to pay for the Annual Contract Quantity and any Excess Water ordered whether this water is used or not.

The fee for the Annual Contract Quantity will be billed by the actual volume used for each Season. Should the quantity of water used in any Irrigation Year be less than the Annual Contract Quantity, Water use rates for any part of the Annual Contract Quantity not used in an Irrigation Year will be calculated using the percentages of 58% Summer Use and 42% Shoulder Use.

Any unauthorised water use is to be calculated over an Irrigation Year by WRSV. For WRSV to calculate over-use over any shorter period requires the approval of the Pipeline Management Committee (PMC). Customers will have the right of appeal to the PMC against any such calculation and consequent charge. The decision by the PMC on this appeal shall be binding.

For any unauthorised water use, the Customer must pay a sum equal to three times the charge per kilolitre applying to the Annual Contract Quantity at the applicable Seasonal rate for that Season as set out in Schedule A Table 1.

1.9 Dispute resolution

In any cases where the Customer is in dispute with WRSV, the Customer may apply to have the dispute heard by the Pipeline Management Committee. The decision making power of the Committee will be limited mainly to considerations whether the facts presented are correct and whether these Rules have been applied properly. The determination of the Committee will be binding. The resolution of disputes by the Pipeline Management Committee and within the Pipeline Management Committee is subject to the detailed arrangements set out in the Pipeline Management Agreement.

The parties shall in the first instance seek to have any dispute resolved by the Pipeline Management Committee.

1.10 Notices

Notices to Customers will be deemed to be given if posted to the electronic or postal address supplied by the Customer and will be deemed to have been received on the next business day following the date of posting.

Advertisements are to be placed in one local newspaper with wide distribution in the Virginia area and one with State-wide circulation.

Customers are required to advise WRSV of any changes in the information in the application form including any changes in contact details or changes in ownership.

1.11 Leasehold land

Water may be supplied to leased land if the lessor of all that leasehold land subject to a Sales Contract guarantees to support all obligations under contract. The lessor will remain liable to WRSV for any default by the lessee of its obligations under the Rules.

1.12 Amendments to the Customer Rules

These Rules may be amended from time to time by the Pipeline Management Committee. Notice of intention to make such an amendment will be advertised 28 days prior to consideration by the Pipeline Management Committee so that Customers have the opportunity to comment to the Pipeline Management Committee on the proposed amendment.

All Customers and WRSV are bound by these Rules as amended from time to time in accordance with the procedures that apply to the Pipeline Management Committee.

1.13 Guarantees or security on connection

WRSV, as a condition of agreeing to supply a Customer, may require that the Customer supply a suitable guarantee or security. If, in the opinion of WRSV, a guarantee or security in lieu of a guarantee, is required from an applicant for a Contract such as in the case of large Annual Contract Quantity or with the party contracting with WRSV being a private company, the supply of water from WRSV may be made conditional on the provision of a suitable guarantee or security.

In cases where a guarantee or security is required, 30 days notice will be provided to applicants who may elect not to proceed with a Contract if the terms of security or guarantee are not acceptable.

This condition may apply also to a Customer who has applied to increase its Annual Contract Quantity.

WRSV reserves the right to obtain information on the creditworthiness of potential Customers and potential Customers agree to WRSV collecting this information.

1.14 Irrigation Area

The Irrigation Area is the area described in Schedule D. The charges that will apply to Customers in this area are set out in Schedule A. Higher charges may apply to Customers outside the Irrigation Area.

Charges and supply conditions for Customers outside the Irrigation Area will be determined at the sole discretion of WRSV.

1.15 Commencement of supply

Commencement of supply to a Customer will be the date at which Water that meets the quantity and quality specifications set out in Schedule B is available for use by the Customer.

The Supply Fee in respect of the year of first supply will be payable on a pro rata basis from the date of the commencement of supply.

Customers offered supply will be connected during the period November 2007 to March 2008 or other dates as agreed with Customers.

1.16 Application of Rules

These Rules and all fees including connection fees and water use rates apply only to those Customers whose properties are located in the Irrigation Area and who make application by 31 March 2007. WRSV will determine what Rules and charges will apply to any Customers it supplies whose properties are outside the area defined in Schedule D or who make an application for supply after 31 March 2007.

1.17 Assignment of Contract by WRSV

The Customer agrees that this contract can be assigned by WRSV to SA Water or any other party approved by SA Water and the VIA (this approval not being unreasonably withheld), at any time during the period of the Contract.

1.18 Common law

Nothing in these Rules shall prejudice a party's right at common law to seek damages in the event of breach of these Rules by the other party.

2 Water

2.1 Use of water

Water is to be used in accordance with Federal, State (i.e. EPA, DH) and Local Government laws and regulations as may be applied from time to time. Customers are to make their own enquiries about the use of water including such matters as:

- The suitability of any crop to be partly or wholly watered with Virginia Pipeline Water and in
 particular the extent to which the level of salinity and nutrients in the water will affect the
 growth and yield of any crops proposed;
- · Watering methods, duration, intensity and timing and the impact this has on crops;
- · Soil monitoring such as soil tests to assess sodium levels in the soil;
- · Taking corrective action against any build-up in the soil of chemicals such as sodium;
- · Watering during germination and care of plants during earlier growth.

2.2 Planning use of water

Customers will be advised of their use of water at the end of each Season. This does not reduce the responsibility of Customers to plan water usage so as not to exceed the quantities of water in the Annual Contract Quantity, Additional Quantity, Minimum Daily Quantity and any Excess Water agreed with WRSV.

2.3 Water flows and no direct coupling of pumps

Customers are not permitted to direct-couple pumps to the Pipeline.

Water from the Pipeline must be able to flow freely into storage with an air gap between the Meter and the Customer storage, and there must be no opportunity for water in the Customer's storage to flow back into the Pipeline.

The Meter for the water supply will normally be located on the Customer's property close to the boundary. The Customer will be responsible for piping of the water from the Meter to storage.

2.4 Storage

Customers are responsible for building on their own property any storage and associated pipes, fittings and equipment required to provide short-term and long-term water storage. WRSV makes no undertakings nor provides warranties as to the suitability of water stored by the Customer for more than 48 hours.

The Customer is to provide storage which will store at least 24 hours supply of water at the rate of the Minimum Daily Quantity. The Customer is responsible for assessing additional water storage requirements based on watering needs and the Minimum Daily Quantity.

Unlined storages of Water are to be located at least 50 metres from any on-farm waste water disposal system, e.g. septic tanks. On-site storages are to be designed and operated to provide effective control of mosquito breeding and any offensive odour.

Dams must be lined with clay or a suitable synthetic liner and constructed to comply with EPA guidelines entitled 'Wastewater Lagoon Construction, September 2002'. All dams must be filled via a ball float valve or other similar control device to prevent overflow and the control device must be maintained in good working order at all times. Filling via open-ended pipes with manual controls will not be permitted.

2.5 Take of water

The Customer is to use reasonable endeavours to use a quantity of water which is as close as possible to the Annual Contract Quantity.

If a Customer is not achieving this objective, WRSV reserves the right to reduce the Annual Contract Quantity or to terminate a Contract with a Customer that WRSV believes;

- · does not have the present or future capacity to use the water quantity contracted or;
- · has had a sustained and significant under-use of water.

Customers advised that their Annual Contract Quantities are to be reduced or their Contracts are to be terminated can appeal against this decision to the Pipeline Management Committee. The Pipeline Management Committee will make a determination which will be binding.

Customers are required to build and keep in operation on-farm reticulation and other works required for continued use of water.

3 Fees

3.1 Payment of water fees and other fees

Customers will be billed four times a year (Summer, Winter and the Spring and Autumn Shoulder Season), in accordance with the rates set out in Schedule A Table 1.

The first seasonal bill issued after 15 September will include all of the Water use rates, charges for the Winter Season and any Additional Water or other charges for the Winter Season.

For each of the other three bills issued after 14 November, 20 March and 21 May, Customers will be billed for the previous Season's water use (shoulder season will be billed in half seasons), and any Additional Water or other charges for the previous Season.

Meter readings used to calculate Seasonal use are to be made within three days of the billing date shown above for the end of the Season and this reading will be accepted as the reading for water use for the Season.

All payments are due in 30 days. Amounts outstanding more than 44 days from the billing date will attract interest at the rates set out in Schedule A Section 3, calculated from the due date to the date of payment.

Where a Customer's supply is started or terminated during the Irrigation Year, the Supply Charge will be payable pro rata for the months in which the supply is available.

At the end of the Irrigation Year, Customers will be billed, as set out in Section 1.8 for any Water not taken.

3.2 Price increases

Annual price reviews will occur on 1 July of each year. The results of price reviews will be announced on 1 September every year with the rates applying to the following Irrigation Year. The price reviews will apply to each rate in Schedule A. The increase in all fees, except for interest rates, will be at the movement in the CPI in the previous year to which the increase relates.

3.3 Difficulties in making payments

Customers experiencing difficulty in making payments may apply to the Pipeline Management Committee which may make a recommendation to WRSV on the matter. Any assistance provided by WRSV will be based on the financial circumstances of the applicant and the terms of that assistance are matters entirely within the discretion of the WRSV.

3.4 Connection fees

Connection fees as set out in Schedule A will apply to all connections applied for before 31 March 2007.

3.5 Deposits

All deposits paid by Customers on application for supply will be refunded if the Contract is not accepted by WRSV.

4 WRSV

4.1 Meter and other WRSV property

The Meter will be located on the Customer's property and it remains the property of WRSV. The Customer is responsible for protecting the Meter from damage as far as is practicable.

Where damage to the Meter or Pipeline is caused directly by a Customer, the Customer's employees or agents, or through Customer negligence, or the failure of the Customer to protect the Meter from damage, the Customer is to pay for any repairs and necessary replacement of all or part of the Meter and its associated fittings. These repairs and replacement are to be carried out by WRSV or its nominated Contractor.

WRSV may, at its expense, change the Metering system. Customer obligations to protect from damage and repairs and replacement of the Meters apply also to replacement Meters.

The Customer is required to report damage or defects in WRSV property, such as the Pipeline and Meters, on or adjacent to the Customer's property, as soon as the Customer becomes aware of such defects or damage.

The Customers can request a check on the accuracy of the Meter calibration. If the inaccuracy of the Meter is found to be less than 5% the Customer must pay for such re-calibration.

4.2 Claims against WRSV

No claims for damage to crops will be considered if this occurs from water that is within the specification set out in Schedule B.

Claims for damage will be limited to the loss of value of the crop. The Customer shall notify WRSV immediately the Customer forms the view that the water quality may be causing crop damage and agrees that WRSV, its servants, agents and suppliers may have reasonable access to inspect the crop and carry out any necessary tests in order to determine the cause of the damage.

The Customer will prepare an estimate of the damage and submit the estimate in writing together with a statement as to why they the Customer considers that water outside the quality specification was the direct cause of the damage.

If the Customer and the WRSV are unable to agree on the cause of crop damage or the value of the claim each party will, at its own cost, present its case to the Pipeline Management Committee for a decision.

The Pipeline Management Committee in assessing the amount payable by WRSV for crop damage will take into account any sums paid or payable under Section 1.6.

If either party is not prepared to accept the decision of the Committee, the parties are not prevented from seeking redress through the courts in which event the parties shall not be prejudiced by any submissions made to the Committee.

The Customer is required to make checks on effects of water as to limit effects of water not meeting specification. Customers are required to advise WRSV as soon as possible of any concern water does not meet specification.

Customers are also required to take steps to minimise the actual damage or potential for damage arising from use of water not meeting specification.

4.3 Free access to property

The Customer will provide free access to the Customer's property by WRSV, its servants and agents at all times to carry out Meter readings and in the event of Pipeline or Meter emergencies. The Customer will also provide free access to the property for the purposes of pipeline management, operation and repairs, at reasonable times and upon reasonable notice being given to the Customer.

4.4 Repairs and maintenance

WRSV undertakes to keep Pipelines and Meters in serviceable condition and to repair and replace at its cost any Pipelines and Meters that require replacement from fair wear and tear.

4.5 Register of buyers and sellers

WRSV will maintain a register of buyers and sellers of Contracts, who volunteer to be listed on this register, and make this register available to potential buyers and sellers of Contracts.

4.6 Monitoring of water quality and quantity

WRSV will monitor water quality by analysing samples of water taken twice a week from the Pump Station Balance Pond and will maintain records of these samples so that they can be inspected by the nominated representative of the Pipeline Water Quality Committee (PWQC).

WRSV shall provide to the PWQC, upon request from time to time, the results of any loggings of the quality and quantities of water flow through the Pipeline and supply to Customers.

Schedules

Schedule A Fees

The following fees apply to all Customers applying by 31 March 2007 and will be reviewed in accordance with Section 3.2.

1 Connection fees

Connection fees are payable in two instalments, a deposit payable on application and the remainder of the connection fee payable at a time to be determined by WRSV, but no more than three months before the anticipated date of connection.

Deposit

\$500 per connection

Balance of connection fee

\$1000 per connection (total connection fee \$1500 per

connection)

The Connection fees only apply to Customers who have applied for Water before the 31 March 2007. Thereafter the rates will be determined by WRSV.

In addition, any new connection applied for after 31 March 2007 will also incur up to the full capital costs of extending mains and pumping capacity and other works necessary to introduce supply.

2 Water fees

Supply fee

An Annual supply fee of \$960.06 (Irrigation Year 2006-2007) will be charged to cover up to three connections per Customer regardless of the volume supplied. The fourth and any further connections will be charged at \$960.06 each.

Table 1 - Water use rates (Irrigation Year 2006 – 2007) (see Sections 1.8 and 3.2)						
	Water price in cents per kilolitre					
	Water within Annual Contract Quantity	Additional Quantity	Excess water	Unauthorised water use		
Summer (15/11 – 20/3)	12.16 cents	12.16 cents	13.376 cents	36.48 cents		
Shoulder (16/9 – 14/11, 21/3 – 21/5)	9.6 cents	9.6 cents	9.6 cents	28.8 cents		
Winter (22/5 – 15/9)	6.4 cents	6.4 cents	6.4 cents	19.2 cents		

Water use rates

The water use rates apply only to Customers who have applied for Water before 31 March 2007. Thereafter the rates will be determined by WRSV.

3 Other fees

Interest on late payments
Interest at National Australia Bank payments Base Rate plus 5%.

4 Schedule of fees for water transfers

All applications for transfer are to be accompanied by a fee of \$100 regardless of the type of transfer.

In addition to the above transfer fee, the Customer will pay any costs, including engineering and on-site works that WRSV considers necessary when applying the schedule of costs shown in Section 5 below.

In cases where the transfer or amalgamation is not approved by WRSV, for reasons related to the costs or the capacity to supply water, WRSV may at its discretion refund 50% of the application fee and other charges incurred.

5 Engineering repairs and maintenance and contracted works

WRSV fees for works such as repairs of damaged WRSV assets on a property, connection or disconnection of supply are as follows:

Materials

At retail cost

Direct WRSV

Labour costs plus 30%

Mechanical, Metering

Contracted rate plus 12%

and Pipe repairs and

other contracted work

Engineering contracted

Contracted rate plus 12%

6 Disconnection fees

Disconnection and termination fees will include reasonable actual costs incurred in disconnecting a supply and making good both the pipeline and the Customer's property. Customers can elect to carry out their own works to make good their property following a disconnection but are required to indemnify WRSV against any claims arising from this work.

7 Termination fees

Customers electing to terminate their contracts under clause 1.3.2 are to pay a processing fee of \$50 plus actual costs incurred by WRSV in disconnecting the supply, applying the fees set out in Section 5 of this Schedule.

Schedule B Water quality

WRSV will provide a warranty for the water quality measures outlined in the table below.

Table 2 - Water quality measures warranted by WRSV				
Quality measure	Method of measurement	Minimum	Maximum	
Total Dissolved Solids	Average milligrams per litre measured over a 12 hour period	n/a	1500	
2. pH (acidity)	Standard pH measure measured at monitoring points using standard methods for measurements as set out in Section 4.6	6.5	8.5	
3. Free Chlorine*	Milligrams per litre measured at monitoring points using standard methods for measurements as set out in Section 4.6	n/a	Less than 20 parts per million*	
4. DH	Approved by DH as being suitable, without public health restrictions for irrigating crops by all methods	n/a	As measured by DH	

^{*} Chlorine rates might measure (for a period of up to 24 hours) more than 20 parts per million, during and following chlorine slug dosing for pipeline cleaning. Customers will receive seven days notice of this occurring. The water is not to be used for drinking, swimming, food preparation or packaging, or for in-home or home gardening purposes or for drinking by livestock.

Schedule C - Definitions

Additional Quantity

Fifteen per cent of Annual Contract Quantity which is the additional quantity of water that the Customer can elect to take in any Irrigation Year.

Annual Contract Quantity

An annual quantity of water that is the base entitlement to water over an Irrigation Year.

Annual Water Charge

A charge based on the Annual Contract Quantity but varied to take into account water use as set out in Section 1.8 and 3.1 of these Customer Rules.

Connection

The point immediately beyond the meter and at which the Customer accepts delivery of Water.

Contract

Agreement between WRSV and Customer comprising the Application Form and the Customer Rules.

CPI

Quarterly Consumer Price Index for Adelaide as published by the Australian Bureau of Statistics.

Customer

Purchaser of water, includes lessor where Customer is not the owner of the land.

Customer Rules

Customer Rules as amended from time to time.

DH

South Australian Department of Health.

DTEI

Department of Transport, Energy and Infrastructure.

EPA

Environment Protection Authority of South Australia.

Excess Water

Water that may be available for purchase by the Customer on a daily or monthly basis and which is a further supply of water to the Annual Contract Quantity and the Additional Quantity.

Irrigation Area

Irrigation area as shown in Schedule D.

Irrigation Year

From 16 September to 15 September or other period as advised.

Meter

Equipment and or associated fittings and systems used to measure the quantity of water supplied.

Minimum Daily Quantity

The minimum daily flow of water which is 0.54% of the Annual Contract Quantity.

Pipeline

The Virginia Pipeline Scheme pipeline and all associated equipment, fittings and property of WRSV in the area set out in Schedule D.

Pipeline Management Committee (PMC)

Committee made up of representatives of the Virginia Irrigation Association, SA Water and WRSV as set out in the Pipeline Management Agreement.

Pipeline Water Quality Committee (PWQC)

Committee comprising representatives of SA Water, DTEI, WRSV and the VIA. The Committee provides the process for rectifying water quality problems. It evaluates results of water monitoring and deals with submissions presented by any of the members of the Committee and it determines if there has been a sustained and significant decline in quality.

Rules

Customer Rules as defined above.

SA Water

South Australian Water Corporation.

Season

One of each of the three Seasons:

Summer: 15 November to 20 March in any Irrigation Year

Shoulder: 16 September to 14 November (spring) and 21 March to 21 May (autumn) in any

Irrigation Year

Winter: 22 May to 15 September in any Irrigation Year

Start of supply

The date at which Water that meets the quantity and quality specifications set out in Schedule B is available for use by the Customer.

VIA

Virginia Irrigation Association Inc. and its successors.

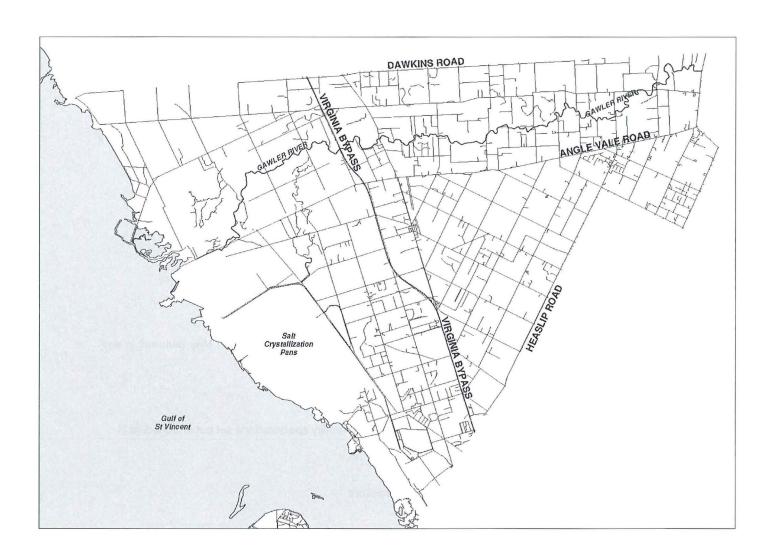
Water

Water supplied from Bolivar Waste Water Treatment Works into the Pipeline.

Water Supply Agreement

Agreement between SA Water and WRSV for the supply of water.

Schedule D - Irrigation Area



Northern Boundary

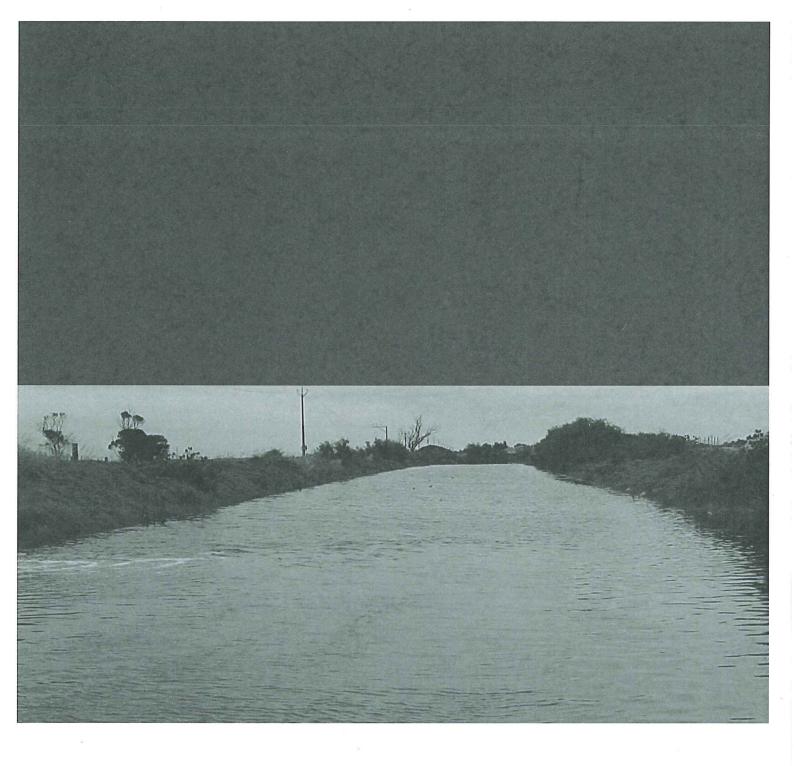
the line of Dawkins Road

South Eastern Boundary

the line of Heaslip Road, Curtis, Stebonheath, Dalkeith and Wingate Roads

Western Boundary

the Gulf of St Vincent coastline



Water Reticulation Systems (Virginia) Pty Ltd ACN 074 789 969

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