

January 19th 2021

The CEO Essential Services Commission of SA (ESCOSA)

Submission on the ESCOSA draft documents,

Reference 1 Robusto Investments Pty Ltd Drinking water draft regulatory determination.

Reference 2 Robusto Investments Pty Ltd Price determination draft.

My name is Adrian Earl and my wife, and I have been a residents of Mt Compass and living on the Golf course estate for fourteen years. We have had discussions with and reviewed presentations from ESCOSA over the past four years and again this week relating to requests submitted to increase water rates for the 172 households in this estate by private supplier Robusto Investments Pty Ltd.

What we received this week was further justification and a presentation showing the mechanics of procedure being adopted to by ESCOSA to endeavour to reach a solution which obviously they have battled with over the past four years. The end result is there has been no real conclusion in determining future rate charges that we expected at this stage after four years and there is still no clarity for the concerned households as to what they can expect.

Clearly there has been no real transparency by the private supplier to ESCOSA or the effected concerned residents to provide factual input to assist this department at arriving at a mutually satisfactory structure and recommendation regarding future costs that will be levied at this minority group.

Since the development of Mt Compass golf course estate, a private supplier of water to the estate has been in place. The establishment of a rates benchmark to be applied to residents by them evolved around the rating structure of SA Water. This was an accepted and fair rating system that residents were happy with. The majority of businesses and residents water supply was coming from SA Water, so this meant that all residents of Mt Compass would be billed under a common uniform structure.

On the 8th June 2016 Robusto Investments Pty Ltd acquired the private supply of water to the golf course residents (trading as Compass Springs). There was no community meeting by this organisation to present or discuss what effect this acquisition might have on resident's water supply or proposed rating structures.

The first communication received by those residents indicating major changes to their previous supply charges was in the form of an account issued for rates covering the 30th June 2016 to 30th September 2016. Notable changes were the introduction of a fee for [REDACTED] and an increase in administration and consumption charges of 15%. No notification of intent just the bill. This raised issues with the residents which has culminated in what we are experiencing now, four years of discussion re the application from the provider through ESCOSA to try and

establish a satisfactory rate. The billed rates by Robusto Investments Pty Ltd have now escalated to a 36% over and above SA Waters rates.

This private supplier has at present a monopoly over the 172 households effected and has no accountability for the rates [REDACTED] extracts from these households. The majority of households and businesses in Mt Compass have their water provided by SA Water and are charged at the SA Water's rating structure.

[REDACTED]
[REDACTED]
[REDACTED]. In some cases where residents have wanted to sell their properties water rates charged by Robusto has created issues for buyers. This continual uncertainty over a four-year period and with no resolution evident at this time has created in some cases health issues that should not manifest.

Mt Compass is not a remote community requiring a private water provider. The majority of residents as mentioned have water provided by SA Water which has been the established to provide water to the township. SA Water has worked with government to decrease water supply costs in support of businesses and families in their budgeting to pay utility costs.

Mt Compass has a unique structure totally unnecessary and unsatisfactory in that 172 households have been put into a situation having to obtain water supply from a private supplier who currently holds a monopoly over them and now seeks approval to increase charges even more.

These 172 households have shown patience over a four-year period to allow the private supplier through ESCOSA to arrive at a satisfactory resolution for the charging of water supply. This has not happened. Majority of residents have expressed that we have no confidence of a resolution being achieved and frankly have had enough. The best course of action for them and at the recent meeting was unanimously agreed to was that they divest themselves of this private supplier and seek to be, as the majority of the community are, part of the SA Water network.

What the 172 households under this monopolistic private supplier are experiencing should not be allowed to continue. Rates charged are unfair and not justifiable. Aside from the rates currently charged by a supplier who has other diverse interests such as the golf course and housing development in the town, creates uncertainty that should these ventures fail what will this minority of dependent users future be, in receiving a water supply that they are indeed entitled to.

To work towards gaining supply from our state utilities provider residents are taking action and seeking support from their community and member of our state parliament and will present a petition to our honourable members of the house of assembly to take action on their behalf.

Adrian Earl FAMI, CPM

Resident Mt Compass