

**From:** [Knoxstead Pty Ltd]  
**Sent:** Friday, 16 December 2011 4:00 PM  
**To:** ESCOSA:Essential Services Commission of South Australia  
**Subject:** Regulation of SA Water Supply: Knoxstead Pty Ltd

I am the public officer for Knoxstead Pty Ltd, a supplier of mains water to 20 properties in the Skye district. Properties serviced by Knoxstead are located along all of Homestead Crescent, and in the middle section of Knox Terrace (lots 26 to 39). Knoxstead commenced operation on 31 Dec 1982 using bore water, pipes and a tank located in road reserve with ministerial permission under the Local Government Act and in private property under registered easements & access agreements.

Knoxstead was formed by residents who were deeply concerned by the need for a reliable supply of adequate water at reasonable terms and conditions. The company Constitution deals explicitly with these concerns by giving control to members, who are all owners and customers of the water supply. While members may have access to other sources of water such as rain water tanks, or connection to a second system overbuilt by Knoxstead, or interconnection to another supplier further up the hill, the Knoxstead supply remains their primary source of mains water.

SA Water has declined to service the Skye district on at least 3 separate occasions, most recently in 2009 when the government owned essential services utility sought to impose punitive and unworkable terms on Skye residents who live just 8 Km from the GPO.

The Knoxstead Board acknowledges references to Skye water suppliers in the Draft Advice, however the details contained therein do not provide sufficient information to make formal comment on specific impacts on Knoxstead's operations or on its customers. Knoxstead delivers a water supply that is generally acceptable to members in its current operating context and would be concerned by regulatory changes that increase costs without commensurate benefits to members.

We wish to remain informed of any further developments in the regulation of water suppliers and to make comment as appropriate. This submission is not confidential.

regards,  
David Cox  
[contact details removed]