



SA Water  
**Highlights**  
2011-12



Government  
of South Australia



SA Water

# A message from our Chairman and Chief Executive



**Lewis Owens**  
Chairman



**John Ringham**  
Chief Executive

**While we are enjoying strong flows in the River Murray, water quality and low runoff into reservoirs require SA Water to maintain a strong focus on managing its assets, infrastructure and customer services as we deliver a secure and healthy water supply for South Australians.**

Adelaide's desalination plant reached an exciting milestone in mid October 2011 when treated water entered the state's network for the first time, providing security of water supply into the future. The North South Interconnection System Project (NSISP), also nearing completion, will provide

Adelaide residents and businesses with further water security by enabling our water supplies to be transferred across the broader metropolitan region.

## Preparing for regulation

In 2012 the State Parliament passed historic legislation which will give South Australians independent economic regulation and greater consumer protection. We've been working hard to ensure that our organisation understands the intricacies and requirements of the new legislation and how we can best operate within the regulatory guidelines while continuing to meet the needs of our customers. The development of a new Strategic Plan that clearly outlines and consolidates our business strategy for the next four years has been at the centre of those efforts.

## Engaging with our community

As we design and build our capital projects, it has been heartening to see the relationships SA Water has established with the communities we serve. By engaging the people who will be most affected by our growing infrastructure, we have been able to shape the outcomes of our projects and strengthen our customer relations. Projects such as the Clapham Pump Station and the Mt Barker water development are great examples of this where local residents can now see their input come to life as we construct new infrastructure. The continuing work of our Education team with school children, both in Adelaide and throughout the regions, also demonstrates to us the positive effects our organisation has on the community.

We feel a great sense of pride in the outstanding efforts our people have made to ensure that our customers are provided with ongoing services within a changing environment. The steps we take to ensure our customers receive reliable water and wastewater services, allow South Australians to feel secure about their future. After all, that is exactly what we're here for.





# Customer Service and Water Quality

**We will deliver quality water services and be responsive to our customers' needs.**

We have implemented a number of significant changes in our Customer Service Centre with the specific goal of improving the customer experience.

An enhanced customer enquiry management and reporting process now helps us capture and track customer feedback across the organisation, while

a suite of research efforts has been developed to help us better understand customer satisfaction, issues and experiences.

New initiatives for our source water quality management efforts for the River Murray and reservoirs have also been implemented, enabling us to better control Cyanobacterial and algal blooms, as well as improve our monitoring of water quality for salinity, dissolved oxygen and pH levels.

**Water quality management** and **incident responses** were both above Australian health standards.

**New water quality initiatives** were implemented for the River Murray.

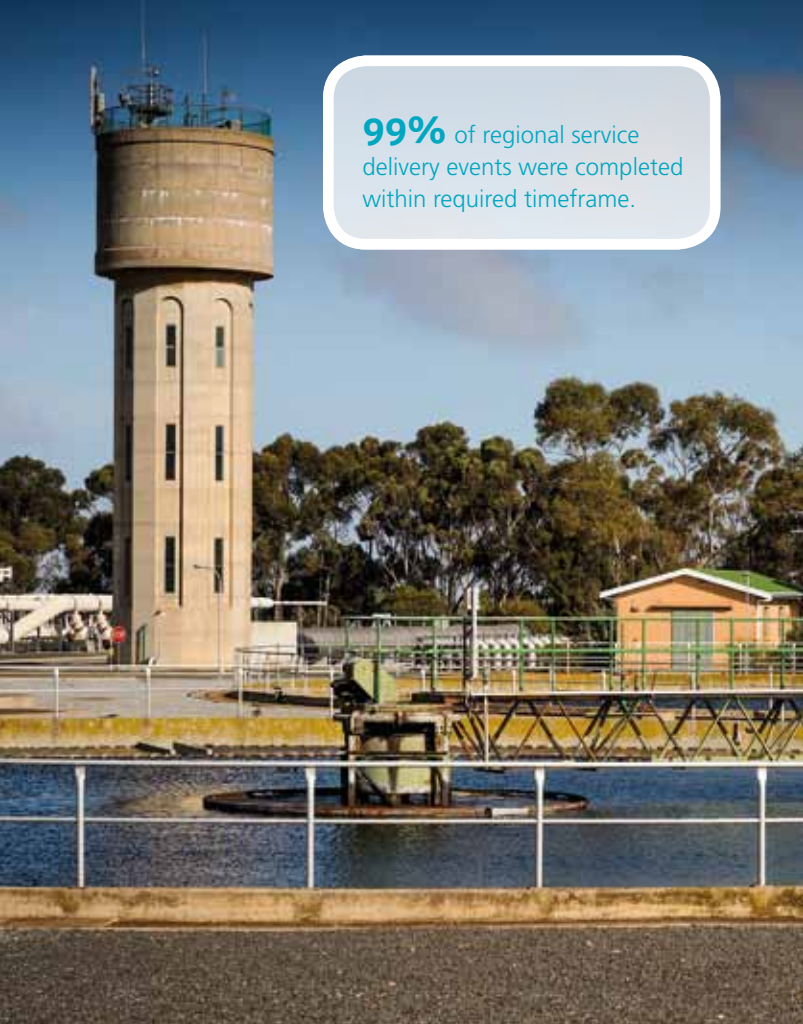
We successfully implemented an **enhanced enquiry management** and reporting process.

**Customer satisfaction** remains consistently strong with 7.3 out of 10.



**100%**

*E. coli* compliance was met for metropolitan drinking water.



**99%** of regional service delivery events were completed within required timeframe.



The new 10-year alliance contract with **Allwater Joint Venture** to manage and maintain metropolitan water, wastewater and recycled system commenced.

Desalinated water from the **Adelaide Desalination Plant** was introduced into the system.

The **North South Interconnection System Project**, connecting Adelaide's northern and southern water supplies, is near completion.

Exterior sewer chokes in the metropolitan region were **down by 49%** from last year.

**Major construction works** for Christies Beach Wastewater Treatment Plant are nearing completion.





## System Performance

**We will plan, develop, operate and maintain our infrastructure to consistently meet the needs of our customers and owner.**

In July 2011, Adelaide's desalination plant produced its first drinking water with the completion of the first 50 gegalitre per annum plant. In addition, its Energy Recovery Turbines were successfully commissioned.

Significant work has also been completed on the North South Interconnection System Project, linking Adelaide's northern and

southern water supply networks, and is due for completion before the end of 2012. This project includes over 30 km of new pipe work, three new pump stations and a number of pressure regulating and sustaining valves. It is one of the most significant projects we've undertaken and helps us to deliver water security throughout the metropolitan area now and into the future. Our regional operations continued to perform above target, meeting 99% of its 3 836 service delivery events within required timeframes.



## Sustainable Future

**We will play a leading role in providing a sustainable and secure water supply for the community and minimise our impact on the environment.**

Above average rainfall and the continuing efforts of the community to save water helped keep consumption to lower levels than expected.

Our commitment to the environment has been demonstrated by a reduced

amount of environmental notifications to the EPA and our reduced greenhouse emissions. These emissions were reduced through a number of efforts, including renewable energy produced and used at the Bolivar and Glenelg Wastewater Treatment Plants, purchases of GreenPower/Renewable Energy Certificates, and recovered energy through our Hope Valley mini hydroelectric plant.





Water **consumption** was kept below expected levels throughout the year.



Our **greenhouse gas emissions** were 2004 tonnes less than our target maximum.

**Environmental notifications** reported to the EPA were reduced by 32% compared to last year.

Our Hope Valley **mini hydroelectric facility** recovered 4 762 megawatt hours of renewable energy.

100 hectares of **biosequestration plantings** at Little Para Reservoir were planted to capture 43 385 tonnes of CO<sub>2</sub>-e (equivalent carbon dioxide) upon maturity.





Our **Significant Injury Frequency Rate** was reduced by 37% and our **Lost Time Injury Frequency Rate** was reduced by 60% compared to 2010-11.

Our **Workforce Replenishment program** was recognised with an award from the Australian Human Resources Institute for Human Capital Management.

We awarded **scholarships to 176 recipients** through our scholarship partners.

SA Water launched its first **Reconciliation Action Plan** in July 2011.

### We recruited:

**10** graduates

**42** apprentices

**11** water industry trainees

**9** technical cadets



# People and Culture

**We will develop a high achieving culture with a talented and diverse workforce and aspire to a zero harm workplace.**

Our ongoing commitment to creating a zero harm workplace for all employees was demonstrated by an overall reduction in significant and lost-time injuries. Key high risk projects are continuing to address major hazards to drive improvement

and an early intervention strategy has led to improved outcomes. This year, SA Water received an award from the Australian Human Resources Institute for Human Capital Management, in recognition of our workforce replenishment strategy. This program has been extremely successful and is being supported by a new recruitment branding strategy that will help us to attract and retain high quality candidates.





# Commercial Success

## **We will drive operating and capital efficiency and meet the financial expectations of our owner.**

Our profit before tax in 2011-12 was \$317 million, approximately 52% above target. There were several factors contributing to the favourable result including:

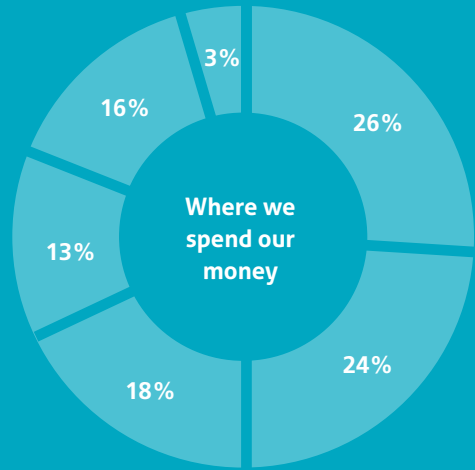
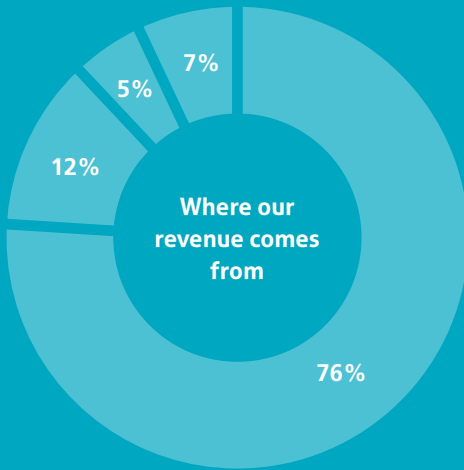
- Impact of the Adelaide desalination plant operating regime and delay to first water
- Lower expenditure on renewable energy and carbon offsets
- Reduced depreciation and financing costs resulting from lower than targeted capital expenditure.

SA Water **returned a net contribution of \$165m** to the South Australian Government.

**Capital expenditure** for 2011-12 was \$603m.

We **paid 98.12% of invoices within 30 days**, exceeding our target of 90% and improving over last year's result.

An audit by the Department of Resources, Energy and Tourism rated SA Water as a leader in the areas of **leadership and opportunities identification and evaluation for energy efficiency opportunities**.



Water and wastewater	<b>76%</b>
CSOs	<b>12%</b>
Contributed assets	<b>5%</b>
Other revenue	<b>7%</b>

Depreciation and amortisation	<b>26%</b>
Finance costs	<b>24%</b>
Operational services and contracts	<b>18%</b>
Salaries and benefits	<b>13%</b>
Services and supplies	<b>16%</b>
Electricity	<b>3%</b>





# Moving Forward

## **A new Strategic Plan.**

SA Water launched its new *Strategic Plan 2012-2016* in July 2012. The Strategic Plan is the result of a comprehensive process which included a review of our existing plans and performance, together with consideration of the key challenges and opportunities facing SA Water over the coming four years. At the heart of the Strategic Plan is our purpose: *Delivering water and wastewater services in efficient, responsive,*

*sustainable and accountable ways.* The Strategic Plan sets a clear direction in what will be a period of significant change and establishes four strategic priorities which encompass our purpose and aim to deliver success against our key performance outcomes: *Customers & Community, Quality & Delivery, Business Success and Planning for the Future.*

The new Strategic Plan can be viewed on our website:  
**[www.sawater.com.au](http://www.sawater.com.au)**



**26 591** kilometres of water mains

**8 712** kilometres of sewers

**180** kilometres of recycled water mains

**30** water treatment plants

**24** wastewater treatment plants

**1 576 000** South Australians served

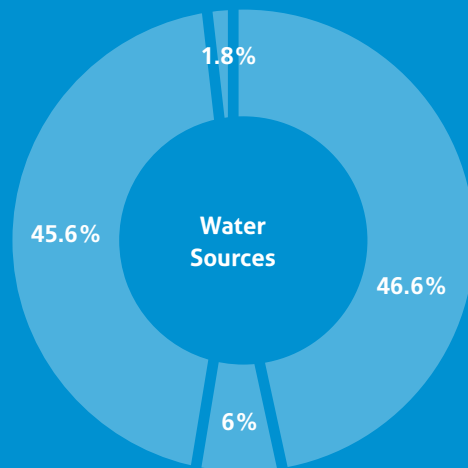
**208 144** megalitres of water delivered

**\$603m** total capital expenditure

**773 439** accounts billed

**1 640** employees

**323** litres: average daily consumption per household and business



River Murray **45.6%**

Surface water **46.6%**

Ground water **6.0%**

Sea water **1.8%**

For a full copy of our annual report,  
or for further information about  
SA Water and copies of past reports,  
visit [www.sawater.com.au](http://www.sawater.com.au).

We welcome your feedback on our  
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