

## Developer Charges Pricing Policy Statement

The Developer Charges Pricing Policy Statement applies to:

- Extensions (both lengthening or altering) existing mains to supply existing or new properties.
- Augmentation charges for all new, incremental allotments within the Greater Adelaide Region (GAR) to connect to SA Water infrastructure.
- Augmentation charges for commercial, industrial or reserves within the GAR to connect to SA Water Infrastructure.

It does not apply to:

- Connections of new properties to water or sewerage mains which are considered in the Excluded Services Pricing Policy Statement.
- Costs associated with infrastructure within a development area which are met directly by developers.

### Regulatory Framework

The Essential Services Commission of South Australia (ESCOSA) takes a principles-based approach to regulating developer charges. Developer charges are subject to relevant [National Water Initiative \(NWI\) Pricing Principles](#) and [ESCOSA pricing principles](#).

### Pricing Policy Statement

Developer charges reflect the investment in both the new and existing assets required to service growth, consistent with a beneficiary pays approach.

Augmentation payments received by SA Water will reduce the value of SA Water's regulated asset base (RAB) based on the charge paid, reducing the maximum revenue that SA Water can recover from its customer base.

### Extensions

Extension charges are based on individual estimates of the work required.

Where an extension provides future benefit to other regulated customers, we contribute 50% of the material costs for the extension. These costs are recovered over time from regulated customers.

Where an extension is within a development site, the developer funds the investment. Sometimes we require mains being extended to be upsized, or otherwise amended, to service future system growth. Where upsizing of infrastructure is triggered by a developer, SA Water may consider contributing to the costs where there are broader benefits for SA Water's regulated customers and where the existing infrastructure is approaching the end of its useful life.

These additional costs are funded by regulated customers rather than being recovered through the augmentation charge.

We seek efficient costs in delivering extensions by allowing major developers to seek

their own estimates for the works (to the standards we require) except for services requiring connections to live mains, commissioning, or inspections.

### **Augmentation**

The Augmentation charges for 2024-25 have been approved by the SA Government to align with the National Housing Accord and South Australia's housing roadmap.

### **Residential**

For 2024-25 an augmentation charge is applicable for all incremental residential allotments within the GAR.

This comprises of a fixed wastewater and water augmentation Charge based on the defined greenfield and infill locations.

Residential charges are considered the 'base' (100%) charge.

### **Commercial/Industrial & Reserves**

The augmentation charge applicable to commercial/industrial properties and reserves is based on a multiplier of the base charge.

Extension costs are still applicable as per above and Connections costs as per the Excluded Services Pricing Policy Statement.

### **Exclusions**

Augmentation Charges are not payable in relation to:

- An allotment developed by or on half of a Not-for-profit entity (as registered with the [Australian Charities and Not-for Profits Commission](#)), or a community housing provider (as registered on the [National Regulatory System for Community Housing](#))
- An apartment; or
- Any other category of allotment determined by SA Water with the consent of the Minister of Housing Infrastructure.

The Augmentation fee will be reviewed annually.

### **Where to find further information regarding developer charges**

A full list of our augmentation charges is published on our website. Refer to the 2024-25 Augmentation Charges Schedule for the multipliers.



D. Ryan, Chief Executive, South Australian Water Corporation

DATE 25/06/2024

## Appendix A

## Definitions

Term	Definition
Designated greenfield and infill locations	are locations within the Greater Adelaide region that come within the definition of "greenfield" and "infill" in Table 1 of the <a href="#">Land Supply Report for Greater Adelaide</a> (July 2023).
Greater Adelaide Region	means the planning region of that name proclaimed by the Governor under section 5 of the <i>Planning, Development and Infrastructure Act 2015</i> on 19 March 2020, a map of which is available in Figure 1 of the <a href="#">Land Supply Report for Greater Adelaide</a> (July 2023)
New, Incremental Allotment	is an Allotment that requires a new or additional connection(s) to SA Water infrastructure as a result of greenfield or infill development.
Residential Allotment	is a property classified with the use of land for detached dwelling, group dwelling, multiple dwelling, residential flat building, or dwelling or semi-detached dwelling for the purposes of the <i>Planning, Development and Infrastructure Act 2015</i> .