
From: Glynn Ricketts
Sent: Friday, 3 May 2019 9:51 AM
To: Adjudication
Subject: N10000475 & N10000477 – Peet and Renewal SA Notifications

FAO Robert Janissen

Thank you for the opportunity to provide comment on the proposal by Peet and Renewal SA to engage in exclusive dealing in relation to the provision of recycled water and natural gas to the Tonsley Precinct development in Adelaide. We restrict our comments to the provision of recycled water.

The recycled water market in South Australia has robust regulation. Consumer protection is provided by the Essential Services Commission of South Australia (ESCOSA). We are pleased to note they are on your list of "Interested Parties...#157" .

The City of Marion has entered into a long-term contract with Enwave Ltd for the bulk supply of treated stormwater into the Tonsley Precinct.

In regards to protecting the interests of our residents within Marion (which includes the Tonsley Precinct,) Council undertook its own legal and technical review of the supply agreement. Advice from ESCOSA was also received. A report was then submitted to Council seeking approval to enter into the supply agreement. Council endorsed this report and the contract to supply treated stormwater was executed by both parties on 28 September 2018.

This contract enables all three levels of Government and our residents to realise the benefits of significant investment in stormwater capture and reuse. The Oaklands Wetland scheme, which supplies the treated stormwater into the Tonsley Precinct, was funded, designed and built with the intent of supplying water into the Tonsley precinct.

The benefits of using treated stormwater as opposed to potable water for toilet flushing, irrigation and cooling towers are well understood. Marion is one of many Councils within South Australia that supplies treated stormwater into residential, commercial and industrial premises. The market is mature, regulated and consumer protection is assured. In addition treated stormwater is cheaper to the end user than potable water and Council understands that the end user retains the ability to use potable water at the individual premise level if they so choose.

The provision of recycled water at Tonsley was negotiated in lieu of putting a rainwater tank as per the Building Code of Australia. Therefore, the choice is not to use potable water in the building but rather install a rain water tank to ensure compliance with the building code.

Most water schemes (potable and recycled) in South Australia (may be other places as well) are essentially an exclusive dealing as home owners can only buy water from SA Water. Within South Australia schemes are regularly set up where the owner and operator of the infrastructure is also the retailer of the product. This completion was encouraged by State Government with the introduction of the Water Industry Act.

In addition, the Water Industry Act allows a developer to require allotments to connect to "prescribed" infrastructure. We are aware that the Minister received a request to do that in another development some time ago and he gave this scheme approval. Given the very high capital contribution by both State and Federal Governments in South Australia this course of action may well be applied again?

Therefore, Council does not consider that the proposed recycled water scheme by Peet and Renewal SA in any way reduces competition or reduces end-user choice. In fact it creates further options for the residential and commercial end users at Tonsley. Furthermore, the recycled water tariffs and adjustments will be subject to the regulatory

oversight of ESCOSA. The technical regulator will have oversight of operational and safety matters. This means the end-users are well protected for the long term.

If you require any further information please contact the undersigned

Yours sincerely

Glynn Ricketts

Glynn Ricketts
Water Resources Coordinator | City of Marion

P 08 7420 6416 | **F** 08 8375 6699 | **M**
E | **W** www.marion.sa.gov.au

PO Box 21 Oaklands Park SA 5046
935 Marion Road Mitchell Park SA 5043



We acknowledge we are part of Kurna land and recognise the Kurna people as the traditional and continuing custodians of the land.

[Follow us on Facebook](#) - Follow City of Marion on Facebook for the latest news, events and announcements.

[E-talk newsletter](#) - Subscribe to our email newsletter to receive regular news and updates straight to your inbox.