# Round 1 Demand Assessment – Confidential Expression of Interest Form (non-binding)

# Please consider this form alongside the ‘Round 1 Info Pack’ (presentation), which may inform your response.

# Who should complete this form?

Anyone in or near the Clare Valley that may seek more water, especially for irrigation, livestock or other uses.

# Confidentiality

# Your information will be kept confidential. Responses will be aggregated as part of a summary report.

# Q1: Please provide your customer information in the table below.

|  |  |
| --- | --- |
| Name of customer/s: |  |
| Company / trading name: |  |
| Address: |  |
| Email: |  |
| Mob: |  |

# SECTION 1: SUMMARY OF KEY GUIDELINES AND KEY INFORMATION

# Engineering options

A long list of potential supply options has been developed. There is no preferred option at this stage. The process will identify the best supply option/s that meet demand. The preliminary business case is deliberately demand led. No engineering has been done. Decisions on supply options come after Round 1 demand.

# Water quality

Water supplied to the Clare Valley, if a suitable option can be found, will be of a suitable quality for irrigated agriculture. For example, a high quality (300-400ppm) desalinated water product sourced from a wastewater treatment plant, or raw River Murray water, or potable River Murray water as is currently supplied by SA Water.

# Climate change (University of Tasmania/ Wine Australia - Climate Atlas for Clare Valley)

The forecast impacts of climate change by 2050 in the Clare Valley include:

* Likely decrease in average rainfall during winter months
* Average temperatures likely to increase by 1.3 degrees Celsius
* Increase in soil aridity / dryness driving higher irrigation requirements.

# Guideline 1 for responding – Demand for water in two parts

1. In Section 4, we ask about your demand for substitution water (swapping with existing sources).
2. In Section 5, we ask about your demand for new / additional / growth water (for business expansion).

The two combined will reflect your total demand. Total “likely” demand volumes will drive the engineering.

# Guideline 2 for responding – Think long term demand in a changing world

* Go beyond your immediate water needs to long-term planning as a new project may be a 100-year asset.
* Consider how your business may grow with a greater volume of more secure water.
* Consider the impacts of climate change, which will include dryer soils and increased irrigation requirements.

# WATER PRICES – CUSTOMER CAPITAL PRICE & ANNUAL CHARGES

# Capital prices (infrastructure charges) and annual charges are GST exempt. All prices are subject to change.

# Customer capital price

A customer capital contribution demonstrates ‘skin in the game’ and can attract government capital funding. No engineering has been done so actual capital prices will be set later. Round 1 tests three capital price options.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Customer capital price scenario** | **Initial deposit – Year 1 ($/ML)** | **Annual capital infrastructure charge – Year 2 + ($/ML)** | **No. of annual payments** | **Total Customer Capital Price ($/ML)** |
| Low | 1,000 | 1,000 | 4 | **4,000** |
| Medium | 1,000 | 1,000 | 7 | **7,000** |
| High \* | 1,000 | 1,000 | 10 | **10,000** |

\* For comparison, the customer capital price for the Barossa New Water detailed business case is $10,000/ML.

# Customer annual charges

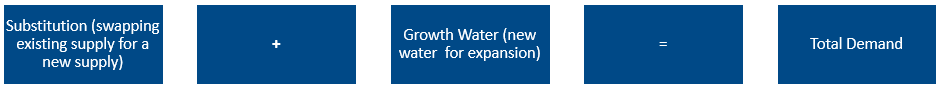
Via annual charges, customers will pay 100% of scheme operating costs. The supply option is unknown and annual charges have not been costed. The indicative Round 1 annual charges range from $1,000 to $3,000/ML.

# Demand at different prices

We ask for your future demand for new water at each possible annual charge. This repeats for each capital price.

# Types of demand

We are separately asking for two types of demand: substitution and growth. Climate change can be factored into both types.



# Demand scenarios

For each type of demand, please advise minimum, likely and maximum demand volumes at each price point.

**Guidelines to inform your demand for additional water**

|  |  |  |
| --- | --- | --- |
| **Minimum demand**  **(e.g. 0.5-1ML/ha)** | **Likely demand (e.g. 1-2ML/ha) – Drives Engineering and Costs** | **Maximum demand**  **(e.g. 2-3ML/ha)** |
| * Account for climate change forecasts, including increased irrigation needs due to soil aridity * Your business-as-usual increased need for new water * Think 10 years or longer. | * Account for climate change, including increased irrigation needs due to rising soil aridity * Balance minimum and maximum demand * Assume moderate business growth over 10 to 20 years * Think 20 years or longer. | * Assume pessimistic forecast climate change * Account for significantly increased irrigation requirements * Big business growth * Think 30 years or longer. |

# Completing this form



You can complete this form in hardcopy or electronically in Word. The form cannot be completed online.

# SECTION 2: YOUR BUSINESS / ENTERPRISES

**Q2:** Please summarise your main enterprises (excluding wineries) in the table below – enterprise and hectares.

|  |  |  |  |
| --- | --- | --- | --- |
| **Enterprise** | **Area of enterprise in hectares (ha)** | **Average irrigation application rate (ML/ha) \*** | **Average total water use across this enterprise area (ML)** |
| *Example: Grapevines – Shiraz or Riesling / Broadacre farming* | *100 ha* | *1 ML/ha* | *100 ML* |
| *Example: Intensive egg / urban use* | *5 ha* | *2 ML/ha* | *10 ML* |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |
|  |  |  |  |

Note: \* Livestock customers can leave ML/ha blank or enter “number of head of X animal” (sheep, cattle, pigs, chickens for eggs or meat).

We need data about the number and size of wineries in Clare Valley to help build the economic business case.

**Q3:** Do you have a winery? (Circle one) **YES** (if yes, see table below) or **NO**

**Q4:** What size is your winery? (Please complete table below and indicate number of wineries per category.)

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Winery size** | **Micro** | **Small** | **Medium** | **Large** | **Major** |
| Annual grape capacity of your winery/wineries (t/pa) | 0-100t | 100t-750t | 750t-5,000t | 5,000-20,000t | +20,000t |
| Number of wineries per size category |  |  |  |  |  |

# SECTION 3: YOUR CURRENT WATER SOURCES AND WATER USE

# Q5: Please describe the volume and sources of your current irrigation or other water use.

|  |  |  |
| --- | --- | --- |
| **Source** | **Average use (ML pa)** | **High use / dry year (ML pa)** |
| *Example: Winter water* | *20ML* | *30ML* |
| Groundwater |  |  |
| Rainfall captured in dams / storages |  |  |
| SA Water - Winter water / Off-peak |  |  |
| SA Water - Summer nights / Time of Day |  |  |
| SA Water - Statewide water |  |  |
| Other source (please describe): |  |  |

# SECTION 4: SUBSTITUTION DEMAND

**Q6: Substitution demand at various annual charges and $4,000/ML capital contribution paid over four years.**

# At this capital price, what is your minimum, likely and maximum substitution demand (exclude growth demand)?

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Price scenario** | | **Annual charge ($/ML)** | **MINIUMUM (ML)** | **LIKELY (ML)** | **MAXIMUM (ML)** |
| Very low | | 1,000 |  |  |  |
| Low | | 1,500 |  |  |  |
| Medium | | 2,000 |  |  |  |
| High | | 2,500 |  |  |  |
| Very high | | 3,000 |  |  |  |
| **Comment** |  | | | | |

**Q7: Substitution demand at various annual charges and $7,000/ML capital contribution paid over seven years.**

# At this capital price, what is your minimum, likely and maximum substitution demand (exclude growth demand)?

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Price scenario** | | **Annual charge ($/ML)** | **MINIUMUM (ML)** | **LIKELY (ML)** | **MAXIMUM (ML)** |
| Very low | | 1,000 |  |  |  |
| Low | | 1,500 |  |  |  |
| Medium | | 2,000 |  |  |  |
| High | | 2,500 |  |  |  |
| Very high | | 3,000 |  |  |  |
| **Comment** |  | | | | |

**Q8: Substitution demand at various annual charges and $10,000/ML capital contribution paid over ten years.**

# At this capital price, what is your minimum, likely and maximum substitution demand (exclude growth demand)?

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Price scenario** | | **Annual charge ($/ML)** | **MINIUMUM (ML)** | **LIKELY (ML)** | **MAXIMUM (ML)** |
| Very low | | 1,000 |  |  |  |
| Low | | 1,500 |  |  |  |
| Medium | | 2,000 |  |  |  |
| High | | 2,500 |  |  |  |
| Very high | | 3,000 |  |  |  |
| **Comment** |  | | | | |

# SECTION 5: GROWTH DEMAND

**Q9: Growth demand at various annual charges and $4,000/ML capital contribution paid over four years.**

# At this capital price, what is your minimum, likely and maximum growth demand (exclude substitution demand)?

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Price scenario** | | **Annual charge ($/ML)** | **MINIUMUM (ML)** | **LIKELY (ML)** | **MAXIMUM (ML)** |
| Very low | | 1,000 |  |  |  |
| Low | | 1,500 |  |  |  |
| Medium | | 2,000 |  |  |  |
| High | | 2,500 |  |  |  |
| Very high | | 3,000 |  |  |  |
| **Comment** |  | | | | |

**Q10: Growth demand at various annual charges and $7,000/ML capital contribution paid over seven years.**

# At this capital price, what is your minimum, likely and maximum growth demand (exclude substitution demand)?

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Price scenario** | | **Annual charge ($/ML)** | **MINIUMUM (ML)** | **LIKELY (ML)** | **MAXIMUM (ML)** |
| Very low | | 1,000 |  |  |  |
| Low | | 1,500 |  |  |  |
| Medium | | 2,000 |  |  |  |
| High | | 2,500 |  |  |  |
| Very high | | 3,000 |  |  |  |
| **Comment** |  | | | | |

**Q11: Growth demand at various annual charges and $10,000/ML capital contribution paid over ten years.**

# At this capital price, what is your minimum, likely and maximum growth demand (exclude substitution demand)?

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Price scenario** | | **Annual charge ($/ML)** | **MINIUMUM (ML)** | **LIKELY (ML)** | **MAXIMUM (ML)** |
| Very low | | 1,000 |  |  |  |
| Low | | 1,500 |  |  |  |
| Medium | | 2,000 |  |  |  |
| High | | 2,500 |  |  |  |
| Very high | | 3,000 |  |  |  |
| **Comment** |  | | | | |

# SECTION 6: LOCATION OF YOUR TOTAL FUTURE DEMAND FOR NEW PLUS SUBSITUTION WATER

**Q12:** Assuming your highest total likely demand at $4,000/ML capital price and $1,000/ML annual charge, provide the **delivery location and total likely volume** (substitution + growth demand) for network design.

# Example response (do not fill out)

|  |  |  |
| --- | --- | --- |
| Property Lot and Plan No. | Property address | LIKELY (ML) |
| *Lot 302 Plan No 119856 or D119856 A302* | *527 Smith Road, Clare* | *40* |
| *Lot 3 Plan 169929 or F169929 A3* | *345 Wine Road, Auburn* | *60* |
| **Total (ML)** |  | ***100*** |

# You can find your lot and plan numbers on your rates notice or this website: <https://sappa.plan.sa.gov.au/>

# Your HIGHEST LIKELY demand and its location at specific properties / delivery points

|  |  |  |
| --- | --- | --- |
| Property Lot and Plan No. | Property address | LIKELY (ML) |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
|  |  |  |
| **Total (ML)** |  |  |

SECTION 7: USES FOR NEW WATER – ECONOMIC BENEFITS

**Q13:** Please provide this information about the top few enterprises on which the new water would be used.

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Enterprise / New uses** | **Portion of new water** | **Irrigation rate (ML/ha)** | **Yield (t/ha)** | **Gross revenue ($/ha)** | **Fixed & Variable costs ($/ha)** | **Profit ($/ha)** |
| *e.g. New Riesling plantings* | *40%* | *1 ML/ha* | *10* | *$15,000* | *$11,000* | *$4,000* |
| *e.g. Existing Shiraz vines* | *60%* | *0.5 ML/ha* | *8* | *$12,000* | *$9,000* | *$3,000* |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |
|  |  |  |  |  |  |  |

SECTION 8: ALTERNATIVE WATER SOURCE PREFERENCES

|  |  |
| --- | --- |
| Q14: Rank your preference of water sources (1 the highest preference / can be equal) | Rank |
| River Murray potable water (current CVWSS product) |  |
| River Murray raw (not suitable for drinking / untreated) |  |
| Recycled / desalinated wastewater (300-400ppm but not potable) |  |

SECTION 9: TIMING OF WATER USE & WATER STORAGES

Q15: What portion (X%) of irrigation water do you apply/use each month in a dry year / below average rainfall?

|  |  |  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | **Jan** | **Feb** | **Mar** | **Apr** | **May** | **Jun** | **Jul** | **Aug** | **Sep** | **Oct** | **Nov** | **Dec** |
| *Example* | *25%* | *5%* | *5%* | *5%* | *5%* | *5%* | *5%* | *5%* | *5%* | *5%* | *5%* | *25%* |
| Share of your water use |  |  |  |  |  |  |  |  |  |  |  |  |

Please respond below with the number of storages, type and total volume of your existing water storages.

|  |  |  |
| --- | --- | --- |
| **Q16:** How many water storage do you have on your properties? | *1 dam, 2 tanks* |  |
| **Q17:** What volume of water storage do you have? (ML) | *200ML* |  |

The following questions relate to installing more water storage/s on your property.

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **Q18:** How easy would it be to **construct a dam** on your farm? | Easy | Moderate | Difficult | Impossible |
| **Q19:** How easy would it be to **install water tanks** on your farm? | Easy | Moderate | Difficult | Impossible |

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **Q20:** What is your level of support for sharing a new local ‘community’ water storage with several other growers? | Very low | Low | Medium | High | Very high |

SECTION 10: DID YOU ATTEND A ROUND 1 MEETING AND CONFIDENTIALITY

|  |  |
| --- | --- |
| **Q21:** Did you attend a Round 1 water meeting on 12 or 13 April 2022? | YES / NO |
| **Q22:** Do you approve this confidential data being shared with SA Water to help design a solution? | YES / NO |

**YOUR SIGNATURE (NON-BINDING COMMITMENT)**

|  |  |
| --- | --- |
| **Your signature (type or write your name):** | **Date:** |

If you fill out the form electronically in Word (our preference) – you do not need to print and sign the form. Just send back as a Word attachment with your name typed in the box above. Or just scan and attach to an email.

**Due date:** Please scan and email the completed form to [angus.macdonald@kbr.com](mailto:angus.macdonald@kbr.com) by Saturday **30 April 2022.**

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