

Adelaide, Australia

Population: 1,200,000

Organising authority: South Australian Water Corporation (SA Water).

Water operator: Allwater Joint Venture (Allwater) is a joint-venture between Suez-Environnement, Degremont and Transfield Services.

Location: Adelaide, the fifth largest Australian city.

PPP description

In 2011, Allwater was chosen by SA Water, owned by the Government of South Australia, to operate and maintain metropolitan Adelaide's water, wastewater and recycled water systems for ten years. This performance-based PPP contract is an Alliance partnership that allows SA Water and Allwater to work collaboratively together in the delivery of water services to SA Water's metropolitan customers.

An Alliance Partnership is a form of performance-based contract where the risk and rewards are shared between the partners who work cooperatively together to achieve common goals. Features include integrated management, unanimous decision making and open book accounting. Funding is provided solely by the business owner with the non-owner partner providing the services either solely or jointly. The Adelaide contract is an outsourced alliance, whereby the majority of the workforce is provided by the non-owner partner.

Context and PPP objectives

After an Australia-wide examination of many service delivery models, SA Water chose the outsourced alliance option on the basis it would provide:

- Best value customer service through a one-stop-shop for all general, billing and service queries and a priority based field service response to faults
- Flexibility to manage future business directions and priorities, such as economic regulation and other water industry reforms

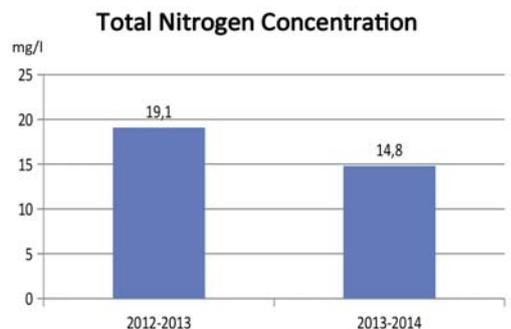
- Improved asset management through the separation of maintenance and capital works delivery, to encourage optimal life cycling costing
- Joint management of operations to ensure alignment of commercial and performance goals and utilisation of strengths from each partner organisation



Bolivar Wastewater Treatment Plant

Protecting the environment form wastewater pollution

Allwater/SA has a long term strategic goal to reduce nitrogen discharge to the sea for environmental protection. A number of innovative and operational improvements have been implemented. At the Bolivar wastewater treatment plant, the total nitrogen concentration was reduced from 19.1 mg/l in 2012-13 to 14.8 mg/l in 2013-14. Since 2011, this has resulted in 200 tonnes less Nitrogen being discharged to Gulf St Vincent, a sensitive marine environment. These results were achieved using only existing infrastructure without incurring any capital or additional energy costs.



Accreditation in AS4801 (Safety), ISO9001 (Quality), 14001 (Environmental) and 50 001 (Energy).

- Improving wastewater management
- Improving network efficiency
- Improving energy efficiency

Improving network efficiency

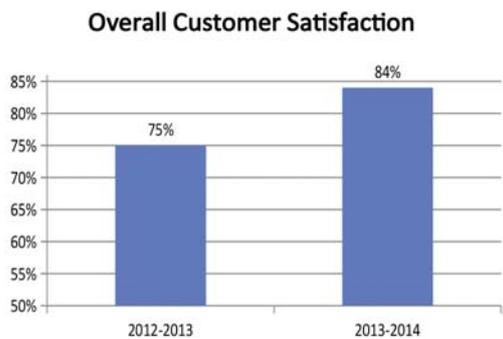
Allwater Networks are responsible for repair work to both the water and wastewater distribution networks in metropolitan Adelaide, including meters and customer connections. In 2013-14, Allwater's responsiveness to network faults has greatly improved through the introduction of an outstanding task optimisation tool enabling the clustering of jobs by suburb.

A GPS-based In Vehicle Monitoring System was installed in 117 vehicles, allowing dispatchers to see the location of technicians in real time and identify the nearest resource.

This has led to:

- 9% improvement in overall customer satisfaction from 75% to 84%
- 8% less kilometers travelled
- 4% more jobs completed with 11% less total hours worked, including overtime.

Overall customer satisfaction has risen from 75% to 84%.



Improving energy efficiency

Allwater has a strong focus on energy efficiency and is the first Australian water utility to be ISO 50 001 certified.

One of the main achievements was the reduction in the unit power usage at the two main wastewater treatment plants, despite treating an increased volume of influent:

- 7% energy efficiency improvement at Bolivar WWTP
- 11% energy efficiency improvement at Glenelg WWTP.

In 2013/14, Allwater introduced waste from food industries to boost the production of biogas at Glenelg WWTP. This full-scale co-digestion project has increased the generation of power from biogas by 25 per cent while reducing costs, with the plant now being 85% self-sufficient in energy.



"The Adelaide Services Alliance is a major component of SA Water's operations and as such the services it delivers must be both efficient and high quality. Allwater has proved to be an excellent alliance partner to assist SA Water improve its business through innovation and collaboration."
Mark Gobbie, General Manager, Operations & Maintenance, SA Water