

# Water and Sewerage Network and Charges Policies

1 July 2022



## Policy approval and responsibilities

The Chief Executive Officer of TasWater is responsible for implementing these policies.

Approved by the Board at its meeting on *28<sup>th</sup>* of *JUNE* 2022.

  
.....  
Chairman

## Table of contents

<b>1</b>	<b>Introduction</b>	<b>76</b>
1.1	Further information	76
1.2	What's not covered in this document	76
1.3	Relevant legislation	76
1.4	Customer Charter	76
<b>2</b>	<b>Our serviced land</b>	<b>76</b>
2.1	Background	76
2.2	Description of serviced land – water	77
2.3	Description of serviced land – sewer	77
2.4	Unserviced land	78
2.5	Pre-July 2015 pressure sewer and septic tank effluent disposal schemes	78
<b>3</b>	<b>Connection Policy – connections to our water and sewerage network</b>	<b>79</b>
3.1	Aim	79
3.2	Connection to our water infrastructure and/or sewerage infrastructure	79
3.3	Relocation or adjustment of a connection to our water infrastructure and/or sewerage infrastructure	80
3.4	Connection, relocation of connection and adjustment of connection costs	80
3.5	Other connections	81
<b>4</b>	<b>Sub-metering Policy</b>	<b>81</b>
4.1	Aim	81
4.2	Multi-unit properties	81
4.2.1	Metering	81
4.2.2	Charges and billing	82
4.3	Strata schemes overview	82
4.3.1	New strata schemes	82
4.3.2	Metering scenarios in existing strata schemes	83
4.3.3	Changes to unit entitlements	85
4.3.4	Common property and fire services	85
4.3.5	Concessions	86
4.4	Associated documents	86
<b>5</b>	<b>Service Charges Policy</b>	<b>86</b>

5.1	Aim	86
5.2	Policy	86
5.3	Amount of service charge	86
5.4	Notice to affected titles	86
6	Service Introduction Charges Policy	87
6.1	Aim	87
6.2	Introduction of service	87
6.2.1	Stage 1 – Initial consultation	87
6.2.2	Stage 2 – Indicative community support	87
6.2.3	Stage 3 – Community commitment to service introduction	87
6.3	Service introduction charges	88
6.4	Other charges	88
7	Service replacement process	88
7.1	Aim	88
7.2	Overview	88
7.3	Service replacement process	89
7.3.1	Review points	89
7.3.2	Stage 1.1 – Initial assessment	89
7.3.3	Stage 1.2 – Engage with community and regulators	89
7.3.4	Stage 1.3 – Customer offers and review	90
7.3.5	Stage 1.4 – Amendment to serviced land	90
7.3.6	Stage 1.5 – Installation of alternative supply	90
7.3.7	Customer complaints	90
7.3.8	Engagement	90
8	Definitions	98

## 1 Introduction

This document details our policies in relation to water and sewerage connections to our network and provides information about relevant charges.

This document incorporates a number of policies required by the *Water and Sewerage Industry Act 2008*, by the *Water and Sewerage Industry (Pricing and Related Matters) Regulations 2021* and by the Regulator in connection with our Price and Service Plan for the period 1 July 2022 to 30 June 2026.

The policies and information included are specific to:

- Connections
- Serviced land
- Sub-metering
- Service charges
- Service introduction charges
- Service replacement.

### 1.1 Further information

For further information about these policies and how they apply to your circumstances, please contact us on 13 6992 or [enquiries@taswater.com.au](mailto:enquiries@taswater.com.au).

### 1.2 What's not covered in this document

Information regarding land development, including developer charges and the circumstances in which we will consider allowing properties in unserviced land to connect to our network, can be found in our *Land Development Policies* document or *Conditional Connections Policy*. These policies are available on our website at [www.taswater.com.au](http://www.taswater.com.au).

### 1.3 Relevant legislation

- Strata Titles Act 1998
- Water and Sewerage Industry Act 2008 (the Act)
- Water and Sewerage Industry (Community Service Obligation) Act 2009
- Water and Sewerage Industry (Customer Service Standards) Regulations 2019 (Customer Service Standards Regulations)
- Water and Sewerage Industry (Pricing and Related Matters) Regulations 2021 (Pricing Regulations)

### 1.4 Customer Charter

Our *Customer Charter* explains our obligations consistent with the requirements under the Act, the Customer Service Standards Regulations and the Code issued by the Regulator. It also outlines the rights and responsibilities of our customers and our commitment to providing reliable water services and sewerage services. It explains our business practices and provides the customer with reasonable expectations of our services, pricing, processes and responsibilities.

## 2 Our serviced land

### 2.1 Background

- Section 56U(1)(b) of the Act requires our Price and Service Plan to include a description of the land, identifiable by individual title or locality, that we will permit to be

connected to our water infrastructure and/or sewerage infrastructure. This description of land is referred to as 'serviced land'.

- We have identified serviced land using individual land titles that meet the requirements of Section 2.2 below.

## 2.2 Description of serviced land – water

We identify serviced land based on servicing factors and the standards in the TasWater Supplement to WSAA Water Supply Code of Australia (MRWA Edition) (available on our website [www.taswater.com.au](http://www.taswater.com.au)). This Supplement details our minimum service pressure at peak hour demand and minimum flow rate as follows:

- Minimum service pressure at the connection point is 220kPa, static head of 22m (Section 2.5.3.3 of the Supplement)
- Minimum flow rate at the connection point is 15 litres/minute (Section 2.12 of the Supplement)

Land titles are defined as water serviced land when they meet all the following criteria:

- Can be supplied with treated water;
- Are within 30 metres of our water reticulation main;
- Can receive the minimum flow and pressure at the connection point as described in the Supplement;
- Connection to our reticulation would not cross a land title owned by a third party; and
- The physical characteristics or location of the property are not such as to require the application of unusual or unusually costly infrastructure, design, or installation techniques in order for the connection to be made.

Treated water means either fully treated water or disinfection-only water supplies. Raw water supplies are excluded. Customers in serviced land who may, from time to time, receive water that is not safe for drinking will receive a discount on the regulated variable consumption rate.

Land titles that do not meet the criteria listed above are unserviced for water.

Existing connections that receive untreated water (raw water) or are directly connected to a bulk transfer main are connections outside our serviced land and are dealt with in accordance with our Customer Contract ([www.taswater.com.au](http://www.taswater.com.au)) or other agreement.

Applications for new connections for untreated water (raw water) or direct connection to a bulk transfer main are considered connections outside our serviced land and are dealt with in accordance with our *Conditional Connections Policy* ([www.taswater.com.au](http://www.taswater.com.au)).

## 2.3 Description of serviced land – sewer

We have a range of sewerage infrastructure around the State depending on local conditions and topography.

Land titles are defined as sewer serviced land when they meet all the following criteria:

- Are within 30 metres of our sewer reticulation main and can be serviced via gravity connection

Connection to our reticulation main would not require installation of infrastructure on land owned by a third party beyond distances set out in the TasWater Supplement to WSA 02-2014-3.1 WSAA Gravity Sewerage Code of Australia version 2.0 Section 5.2.8

- The physical characteristics or location of the land title are not such as to require the application of unusual or unusually costly infrastructure, design, or installation techniques in order for the connection to be made and
- Are not otherwise considered unserviced land in accordance with Section 2.4 below.

Land titles that do not meet the criteria listed above are unserviced for sewer.

## 2.4 Unserved land

Unserviced land is land, identified by land title, that does not meet the criteria for serviced land. We do not have any obligation to provide a connection to titles that are outside serviced land.

Both our *Conditional Connections Policy* and *Land Development Policies* (available on our website) outline the circumstances in which we will consider allowing properties in unserviced land to connect to our network.

## 2.5 Pre-July 2015 pressure sewer and septic tank effluent disposal schemes

Pressure sewer schemes established before 1 July 2015 are defined as unserviced land, but connected customers are classified as full sewerage service customers. Table A6.1 below lists these areas.

Septic tank effluent disposal (STED) schemes established before 1 July 2015 are defined as unserviced land, but connected customers are classified in the STED customer class. Table A6.2 below lists these areas.

In addition, Garthfield Avenue in Cygnet (which was part of a 2008 sewer extension project) is defined as unserviced land.

**Table A6.1: Pressure sewer schemes established before 1 July 2015 (indicative only)**

Area	Type of system
Bell Buoy Beach	Pressure sewer scheme with privately owned pump stations
Boat Harbour	Pressure sewer scheme with TasWater-owned pump stations
Dunalley (near Dunalley Hotel)	Pressure sewer scheme with TasWater-owned pump stations
Lauderdale	Pressure sewer scheme with TasWater-owned pump stations
Low Head	Pressure sewer scheme with privately owned pump stations
South Arm (Blessington Street)	Pressure sewer scheme with TasWater-owned pump stations
Sisters Beach (Tink Taylor Avenue)	Pressure sewer scheme with TasWater-owned pump stations
Wynyard (Stennings Road area)	Pressure sewer scheme with TasWater-owned pump stations

**Table A6.2 : STED schemes established before 1 July 2015 (indicative only)**

Area
Arthur River
Beauty Point
Bronte Lagoon
Cowrie Point
Granville Harbour
Trial Harbour

### 3 Connection Policy – connections to our water and sewerage network

#### 3.1 Aim

The aim of this policy is to specify the circumstances in which we will permit an owner of land to connect, relocate or adjust a connection to our water infrastructure and/or sewerage infrastructure.

#### 3.2 Connection to our water infrastructure and/or sewerage infrastructure

We will permit an owner of land to connect a property that is owned or occupied by a person to our infrastructure within 10 business days, or such later date agreed to between us and the person, if all of the following criteria are met:

- The property is classified as serviced land (that is, it meets the criteria for our serviced land set out in Section 2 of this document) and
- The person requests permission to connect the property to our infrastructure and
- There is no plan of subdivision, or other instrument of a type approved by the Regulator, that specifies that connection to our infrastructure, or provision of regulated services by us, will not occur and
- The person has complied with all reasonable terms and conditions of connection imposed by us and
- The person has paid, or has agreed to pay, all applicable fees for connection.

If these requirements are met, and the connection is not of a type listed below, we will classify the connection as a standard water connection (20mm) or a standard sewerage connection (100mm).

To facilitate connection to our infrastructure we also require all the following:

- A land title has been issued for the property or consent has been received from the owner of the land
- A certificate for certifiable work has been issued (if required) or any other formal approval obtained
- An application to connect has been submitted to us and has been completed to our satisfaction.

The following connections will not be classified as standard water connections or standard sewerage connections:

- The property requiring connection is classified as unserviced land
- There is an existing connection in place
- The property is not required under the relevant planning scheme to have water services and sewerage services installed
- The property is being developed for purposes other than as a single residential dwelling (including for a subdivision, commercial development, industrial development or multiunit development)
- The property fits the definition of a standard water connection or standard sewerage connection, but difficult construction conditions exist that require the application of unusual or unusually costly infrastructure, design, or installation techniques when undertaking the connection. Difficult construction conditions include (but are not limited to) the following:
  - excavation deeper than 1.5 metres



- where the connection extends into the road pavement
- directional drilling
- works requiring special permits and approvals including rail crossing, heritage, arborist, Aboriginal heritage, environment, etc
- known prevalence of rock
- works for pressure sewer units, whether or not installed within a pressure sewer scheme
- passing over, under or through any structure (including retaining structures)
- underground water, including high water table or tidal impacts
- multiple utility services impact the connection works.

Such connections are considered non-standard connections and other considerations and/or charges may apply, as set out in Section 3.4 below.

### **3.3 Relocation or adjustment of a connection to our water infrastructure and/or sewerage infrastructure**

Adjustment includes downsizing and/or disconnecting a water connection and disconnecting a sewerage connection, noting that a property cannot have connections reduced or removed below a standard water connection size and a standard sewerage connection size (of 20 mm and 100 mm respectively).

We will permit an owner of land to relocate or adjust a water connection or sewerage connection on that land if all of the following criteria have been met:

- The relocation or adjustment will not result in our infrastructure crossing property owned by a third party, and for sewerage connections will not require installation of infrastructure on land owned by a third party beyond distances set out in the TasWater Supplement to WSA 02-2014-3.1 WSAA Gravity Sewerage Code of Australia version 2.0 Section 5.2.8; and
- A certificate for certifiable work or other formal approval has been issued (if required); and
- For water connections, the minimum pressure and minimum flow rate described in the Supplement will be received at the connection point following relocation or adjustment of the water connection; and
- The person has complied with all requirements of relocation or adjustment of connection imposed by us; and
- The person who has applied for the relocation or adjustment has paid, or has agreed in writing to pay, all applicable fees and charges; and
- A person requests the relocation or adjustment of the connection to our infrastructure, and submits an application (completed to our satisfaction) for the relocation or adjustment of the connection; and
- We have issued a formal document approving the change to the connection.

### **3.4 Connection, relocation of connection and adjustment of connection costs**

Costs for the water and sewerage works component of connections, relocations of connections and adjustments of connections are as follows:

- For standard water connections or standard sewerage connections as defined in Section 8 of this document, pricing is determined by service providers as further explained on our website at [www.taswater.com.au](http://www.taswater.com.au)
- For non-standard water connections or non-standard sewerage connections, pricing is determined by service providers as further explained on our website at [www.taswater.com.au](http://www.taswater.com.au).

These costs are in addition to any other fees and charges applicable under the Price and Service Plan and set out in our *Pricing Handbook*, including:

- Recurrent fixed charges and volumetric consumption charges in respect of the provision of water services and/or sewerage services to the property
- Relevant development assessment fees.

### 3.5 Other connections

In addition to standard water connections or standard sewerage connections, we may permit other types of connections to our network, including for land development. Additional charges and fees may apply for these connections. Refer to our *Land Development Policies* document and *Conditional Connections Policy* for more information.

#### Land development

New developments have the potential to increase demand on the capacity of our water infrastructure and sewerage infrastructure. Our *Land Development Policies* document provides details on how we support and manage development, including the extension and expansion of existing systems outside serviced land.

#### New services to existing localities

We will consider requests for the introduction of water and/or sewerage services to existing localities in accordance with Section 6 of this document.

#### Connections outside serviced land

Under limited circumstances we may permit connection to our network outside serviced land. Further information is available in our *Conditional Connections Policy* on our website at [www.taswater.com.au](http://www.taswater.com.au).

## 4 Sub-metering Policy

### 4.1 Aim

The aim of this policy is to outline our approach to water metering and billing for existing and new multi-unit properties as well as existing and new strata schemes. This policy applies to all residential and non-residential multi-unit properties and strata schemes.

### 4.2 Multi-unit properties

The following section describes our policies for metering and billing multi-unit properties that are not strata titled.

#### 4.2.1 Metering

All existing multi-unit properties have a master meter installed at the connection point. The master meter is used to determine the charges that apply to the property.

The owner of a multi-unit property may use a third party to install and read sub-meters to assist in the private apportioning of variable charges to each unit if desired, in accordance with the

*Residential Tenancies Act 1997*, any other legislative requirements and the relevant tenancy agreement.

For new multi-unit properties, our default position is to have a master meter installed at the connection point. However, we may, at our discretion, approve each unit being directly connected to our water reticulation main with individual meters, or multiple units being connected to our water reticulation main via a water meter manifold.

#### **4.2.2 Charges and billing**

The owner of the property will be billed for the fixed and variable charges for the property. The fixed charge is based on the master meter size and the variable charge based on the volume of water supplied through the master meter.

Sub-meters, where installed, are not used for calculating our charges.

For new multi-unit properties where we have approved each unit being directly connected, or connected via water meter manifold, to our water reticulation main, the owner of the property will be billed a fixed charge based on the meter sizes and a variable charge based on water used for each property.

### **4.3 Strata schemes overview**

Metering and billing arrangements for fixed and variable charges in strata schemes may vary, depending on whether the strata scheme is a new scheme or an existing scheme.

This policy sets out the various metering and billing arrangements that are available for new and existing schemes. It also covers billing for a range of other metering configurations that may exist in older strata scheme with legacy plumbing arrangements.

Information relating to all strata schemes, including changes to unit entitlements, common property, fire services and concessions is included at the end of this policy.

#### **4.3.1 New strata schemes**

Until a property is strata titled, it will have a water meter installed at the connection point and the fixed and variable charges will be the responsibility of the property owner. The fixed charge will be determined by the size of the water meter, and the variable charge will be determined by the volume of water measured by the water meter.

New strata schemes will be metered in one of the following ways:

- Single master meter only, or
- Lots individually connected to our water main, or via a water meter manifold.

Further information, including the relative costs of each metering configuration for new strata schemes, is available on our website ([www.taswater.com.au](http://www.taswater.com.au)) and is provided as part of the Development Application process.

#### **Single master meter only**

Where general or special unit entitlement information is provided to TasWater or is available from the Land Information System on the cadastre spatial layer (<https://maps.thelist.tas.gov.au>), each lot owner will be billed a proportion of the fixed and variable charges based on those entitlements.

Each lot owner will be billed for a proportion, determined by their respective general or special unit entitlement, of the fixed charge for the master meter. The fixed charge is determined by the size of the master meter.

The applicable variable charge will be determined by the volume of water measured by the master meter. The amount of the variable charge for each lot owner will be apportioned on the basis of the general unit entitlement of the lot, or, if there is a special unit entitlement relating to the lot in respect of the liability for charges for water use, on the basis of the special unit entitlement of the lot.

In accordance with regulation 17 of the Pricing Regulations, if unit entitlement information is not available from the Land Information System, the fixed and variable charges may be billed to the strata scheme's body corporate.<sup>8</sup>

#### **Individual connection directly to our water main or individual connection to our water main via a water meter manifold**

Where there is no interposing pipe work and no requirement for a master meter we may, at our discretion, approve each lot being individually connected directly to our water main or being individually connected to our water main via a water meter manifold.

Where each lot is individually connected to our water main, or connected via a water meter manifold, each lot owner will be billed a fixed charge (based on the size of each lot's individual water connection) and a variable charge based on the volume of water supplied to each lot as measured by the lot's individual water meter.

If all lot owners in a strata scheme agree to install a water manifold (which enables individual connection of each lot to our water reticulation main) and the body corporate provides TasWater with a copy of a unanimous resolution authorising the installation of a manifold together with a completed application form, TasWater will install and maintain a manifold.

Once the manifold has been installed and tested, each lot owner will be billed a fixed charge and a variable charge based on the size of each lot's water connection and volume of water supplied to the lot as measured by the lot's individual water meter.

#### **4.3.2 Metering scenarios in existing strata schemes**

The following section outlines the range of sub-metering arrangements in existing strata schemes, including:

- Single master meter only (applies as set out in 4.3.1 above)
- Master meter and sub-meters
- No master meter and individual lot water meters
- Lots connected individually to our water main or via a water meter manifold
- Master meter but with some individual lots connected directly to our water main
- Multiple master meters
- Multiple master meters but with some individual lots connected directly to our water main

#### **Master meter and sub-meters**

Existing strata schemes may have sub-meters that were installed by us (or our predecessor(s)). Where sub-meters are already installed, we will continue to maintain and read the sub-meters, which will remain our property.

---

<sup>8</sup> Regulation 17(1) of the *Water and Sewerage Industry (Pricing and Related Matters) Regulations 2021*.

In this case, each lot owner will be billed a fixed charge, based on the size of the sub-meter, and a variable charge, based on the volume of water supplied to the lot as measured by the sub-meter.

Where the master meter reading is less than the sum of the individual sub-meter readings, each lot owner will be billed on the volume of water supplied to the lot as measured by the relevant sub-meter.

In addition, each lot owner's bill may include an amount for common property water usage (including fixed and variable charges as applicable) set out in Section 4.3.4 below.

#### **No master meter and individual lot water meters**

Where there are water meters on individual lots but no master meter, each lot owner will be billed a fixed charge (based on the size of each lot's water meter) and a variable charge based on the volume of water supplied to the lot as measured by the lot's individual water meter.

If the individual lot water meters are not installed at the connection point we may, at our discretion and at our cost, install a master meter at the connection point to measure any water potentially lost between the connection point and the individual lot water meters. Before the installation of a master meter we will consult with the body corporate regarding its location.

If we install a master meter, the individual lot water meters and common property water meter(s) (if applicable) will be deemed to be sub-meters and each lot will be billed a fixed charge (based on the size of the sub-meter) and a variable charge based on the volume of water supplied to the lot as measured by the sub-meter.

Where the master meter reading is less than the sum of the individual sub-meter readings, each lot will be billed on the volume of water supplied to the lot as measured by the sub-meter.

In addition, each lot owner's bill may include an amount for common property water usage (including fixed and variable charges as applicable) set out in Section 4.3.4 below.

#### **Individual connection to our water main or connection via a water meter manifold**

Where each lot in a strata scheme is individually connected to our water main, or connection is via a water meter manifold, and there is no interposing pipe work and no requirement for a master meter, each lot owner will be billed a fixed charge (based on the size of the individual lot's water meter) and a variable charge based on the volume of water delivered to each lot as measured by the individual lot's water meter.

#### **Other metering configurations**

Due to legacy plumbing arrangements some strata schemes are metered as follows:

- Master meter plus some lots individually metered or
- Multiple master meters or
- Multiple master meters plus some lots individually metered.

Where the above metering configurations apply, each lot owner will be billed for a proportion, determined on the basis of the general or special unit entitlement, of the sum of the individual fixed charges for all the water meters required to meter all the lots in the strata scheme. The fixed charges will be determined based on the size of the individual water meters.

In addition, each lot owner will be billed a variable charge for a proportion, determined on the basis of the general or special unit entitlement, of the sum of the volume of water measured by each of the water meters in the strata scheme.

### 4.3.3 Changes to unit entitlements

Lot owners may change the unit entitlements that apply to their strata scheme in accordance with the requirements set out in Section 17 of the *Strata Titles Act 1998*.

Any change to unit entitlements is solely the responsibility of the lot owners.

A lot owner may choose to, at their own cost, engage a third party to install and read a sub-meter in a new strata scheme in order to better understand their water consumption. This information is not used for our billing purposes but may of use be used by a lot owner as the basis for a change in unit entitlements.

The body corporate must provide us with a copy of the unanimous resolution authorising the change of unit entitlements together with evidence that the change to the plan has been registered in line with Section 17(2) of the *Strata Titles Act 1998*. This can be done by phoning us on 13 69 92 or sent via email to [enquiries@taswater.com.au](mailto:enquiries@taswater.com.au).

### 4.3.4 Common property and fire services

#### New strata schemes

Common property sub-meters are not installed by us for new strata schemes. Instead, the volume of water measured by the master meter (and apportioned to each lot owner on the basis of the general or special unit entitlement of the strata scheme) includes any amount used for the whole property and/or common property.

If all lot owners in a strata scheme unanimously agree to install a water manifold or where each lot is individually connected to our water main as per 4.3.1 and the strata scheme includes common property, TasWater must be provided with details of the strata scheme's general or special unit entitlements or details of the body corporate. The variable charges for common property will be billed to the individual lot owners or to the strata scheme's body corporate.

#### Existing strata schemes

For existing strata schemes, common property sub-meters may have been installed by us (or our predecessor(s)) and if so, we will continue to maintain these sub-meters (which will remain our property). Each lot owner's bill will include a proportion, determined on the basis of the general or special unit entitlement under the strata scheme, of the fixed and variable charge for the common property sub-meter.

Where there is a master meter and sub-meters, but no common property sub-meter(s), then the difference between the volume of water measured at the master meter and the sum of the volume of water measured by each of the sub-meters for the individual lots will be deemed to be the water supplied to common property.

Each lot owner's bill may include a proportion, determined by the general or special unit entitlement of the strata scheme, of the difference between the master meter reading and the sum of the individual sub-meter readings when the master meter reading is greater than the sum of the individual sub-meter readings.

The variable charges for common property in both cases can be billed to the individual lot owners (where general or special unit entitlement information is available from the Land Information System), or to the strata scheme's body corporate.

If all lot owners in a strata scheme with a master meter unanimously agree to install a water manifold as per 4.3.1 and the strata scheme includes common property, TasWater must be provided with details of the strata scheme's general or special unit entitlements or details of the body

corporate. The variable charges for common property will be billed to the individual lot owners or to the strata scheme's body corporate.

#### Fire service charge

Strata schemes may have a dedicated water service to a fire hydrant for fire protection purposes. Where such a service is provided, a fire service charge will apply to the strata scheme and each lot owner's bill will include a proportion, determined by the general or special unit entitlement, of the fire service charge.

#### 4.3.5 Concessions

A lot owner's eligibility for a concession is unaffected by a strata scheme's water meter configuration.

#### 4.4 Associated documents

TasWater Water Metering Guidelines

TasWater Property Services Connection Standards Drawing – Water Services

TasWater Boundary Backflow Containment Selection Requirements

TasWater Sub-metering Application Form

## 5 Service Charges Policy

### 5.1 Aim

This policy outlines the circumstances when we will impose a service charge in relation to serviced land and the amount of, or the method of determining the amount of, the service charge.

### 5.2 Policy

A service charge will be imposed on unconnected properties classified as serviced land to ensure equity with other connected customers who would otherwise have to pay for the infrastructure.

### 5.3 Amount of service charge

The amount of the relevant service charge is listed in our website [www.taswater.com.au](http://www.taswater.com.au).

### 5.4 Notice to affected titles

We will not impose a service charge unless we first serve notice on the owner(s) of the land and publish a notice in a newspaper circulating generally in the area in which the affected land is situated. We will provide a copy of the notice for inspection at our offices and on our website [www.taswater.com.au](http://www.taswater.com.au).

The notice will:

- Define the locality to which it applies
- Specify the services available
- Generally, identify the land to which the services are available
- Fix a date on and from which the service charge will be payable, being a date not less than three months from the date of the notice.

We are not required to serve written notice when imposing a service charge in respect of land that was the subject of a service rate or service charge under (the now repealed) Section 95 of the *Local Government Act 1993* immediately prior to 9 July 2008.

## **6 Service Introduction Charges Policy**

### **6.1 Aim**

This policy outlines the circumstances and the terms and conditions that must be met for us to introduce water services and/or sewerage services (service introduction) to an area not previously receiving those services and the charges that will apply.

### **6.2 Introduction of service**

We will consider service introduction for water services and/or sewerage services when a proposal is put forward by:

- A community or a council on behalf of the community or
- The relevant council's Environmental Health Officer, the Environment Protection Authority or the Department of Health who have identified that the absence of water services and/or sewerage services is causing significant and/or wide-scale environmental harm and/or public health issues.

#### **6.2.1 Stage 1 – Initial consultation**

We will consult with each relevant community on any service introduction proposal. As part of this consultation we will define the proposed service introduction area(s). Using the proposed service introduction area(s), we will provide property owners and the community generally the following information:

- High-level, preliminary design work and
- Estimated service introduction charges per title for the service(s).

In order to proceed to Stage 2, the service introduction proposal must be commercially viable. External funds will offset the costs and subsequent service introduction charges.

#### **6.2.2 Stage 2 – Indicative community support**

Consideration of service introduction will only proceed to Stage 3 if at least 50 per cent of each relevant community supports the proposal.

#### **6.2.3 Stage 3 – Community commitment to service introduction**

A detailed design and business case will be developed for service introduction as part of this stage. These will provide a more accurate estimate of the project costs and the service introduction charges. Approval of the business case by the TasWater Board will be conditional, among other factors, on the 80 per cent community threshold (detailed below) being achieved.

For the proposal to progress to the procurement and construction stage, at least 80 per cent of the owners of developed land within the proposed service introduction area must enter into an agreement committing to connect to the relevant system and to pay the service introduction charge.

Developed land means land titles where there is an existing development and/or use that would reasonably be expected to require or receive reticulated drinking water services and/or sewerage services. This may include, but not be limited to, a residential dwelling or commercial premises. It would not include other uses that do not require drinking water, for example, irrigation or stock watering.

Following the conclusion of the Stage 3 consultation, we will advise the community of the results of the consultation and the next steps for the project.



### 6.3 Service introduction charges

Service introduction charges will reflect the reasonable costs of providing the infrastructure less what would be recovered from customers in the new service area through ongoing annual water charges and/or sewerage charges.

We will calculate service introduction charges at two stages of the consultation process:

- Stage 1 – estimated service introduction charges based on the net present value (NPV) of the cost of providing the infrastructure specific to the service introduction, less the present value of the amount that would be recovered from 80 per cent of customers through ongoing annual water charges and/or sewerage charges.
- Stage 3 – final service introduction charges based on the NPV of the cost of providing the infrastructure specific to the service introduction, less the present value of the amount that would be recovered from the actual percentage of committed customers (more than 80 per cent) through ongoing annual water charges and/or sewerage charges.

Any third-party funding contributions will be subtracted from the NPV calculations. This calculation determines the commercial viability. We will provide, to a person on whom a service introduction charge is imposed, information as to how we have determined the amount of the charge.

Service introduction charges will be levied on the owner of land who has signed a contract committing to a connection from the date on which the property is able to connect to our water infrastructure and/or sewerage infrastructure and the agreement has commenced.

The owner of a property to which a service introduction charge relates may elect to pay the charge:

- Over a period of not less than 12 months; or
- At the owner's request, over a period of less than 12 months.

### 6.4 Other charges

In addition to service introduction charges, a connection charge for water services and/or sewerage services will be payable when the property is connected to our water infrastructure and/or sewerage infrastructure in accordance with the requirements set out in Section 3 of this document. The list of connection and other charges is available at [www.taswater.com.au](http://www.taswater.com.au).

Ongoing fixed and variable charges will also apply once the property is connected and service provision has commenced.

Owners of land who choose not to connect to our services will become liable to pay service charges following completion of works and availability of services and once the requirements of our *Service Charges Policy* have been met (see Section 5 of this document).

## 7 Service replacement process

### 7.1 Aim

The aim of this document is to detail the process we will follow where service replacement may be required for existing water services.

### 7.2 Overview

A number of our water services have in the past not complied with the *Tasmanian Drinking Water Quality Guidelines 2015* and by extension the *Australian Drinking Water Guidelines 2011* (ADWG).

The Regulator, through our water and sewerage operating licence, and the Director of Public Health, through the provisions of the *Public Health Act 1997*, require all drinking water systems to comply

with the health requirements of the ADWG. In practice, this means that most of our drinking water systems require full treatment. Historically this provided us with only two options: conform to the requirements of ADWG or instigate service replacement.

Service replacement means that we cease providing a reticulated drinking water service to a locality. Where service replacement is required, we provide impacted customers with an alternative water supply, either through provision of appropriate infrastructure (such as a water tank or water filters), or a one-off payment to cover the reasonable costs of an alternative water supply. Service replacement is only considered when all other reasonable solutions have been assessed.

We may provide, at our discretion, an irrigation supply in response to community demand and confirmed support. All costs for this unregulated supply will be borne by the local community through individual agreements.

### 7.3 Service replacement process

Our framework for assessing options to provide water services to small towns includes our *Drinking Water Quality Policy* available on our website at [www.taswater.com.au](http://www.taswater.com.au).

The policy seeks to balance the compliance obligation to provide a safe drinking water supply and the economic justification, in line with our legislative obligations, of major investment in towns with very small populations. This also incorporates non-economic considerations that may warrant the installation of treatment infrastructure in meeting compliance obligations. These include consideration of a range of criteria relating to community health, regional planning, growth and demographic issues, town sustainability and organisational reputation. Public safety is the principal objective in determining our preferred approach for a locality.

We will follow the process outlined in this policy where service replacement is a possible solution to address water quality issues.

#### 7.3.1 Review points

The process provides 'review points' at the end of each major stage to allow us to engage with the Regulator and other industry regulators as appropriate, such as the Department of Health (DoH), Environment Protection Authority and Tasmania Fire Service (TFS). At each review point, the relevant regulator/s need to give their in-principle agreement before we can proceed to the next stage in the process.

The relevant regulator/s will be provided with information and asked to consider certain matters outlined below and detailed in the series of flowcharts that follow. The list below is not prescriptive and does not seek to limit regulators' ability to request further information at the review points or at any time during the process.

#### 7.3.2 Stage 1.1 – Initial assessment

Review point regulators: The Regulator and DoH.

Regulators asked to consider our assessment of the town against key assessment criteria and the need to commence the service replacement process.

#### 7.3.3 Stage 1.2 – Engage with community and regulators

Review point regulators: The Regulator, DoH and TFS.

The Regulator is asked to consider the adequacy of community engagement.

The Regulator and DoH are asked to consider:

- Whether the options assessment presented to the community adequately address the risks, costs and benefits of each option and

- Whether the proposed implementation approach (reimbursement or upfront payment) is justified.

All relevant regulators are asked to consider whether options adequately address their particular regulatory concern(s). For example, TFS may consider the impacts of the proposed service replacement on firefighting capability within the locality.

#### **7.3.4 Stage 1.3 – Customer offers and review**

Review point regulators: The Regulator, DoH and TFS.

The Regulator is asked to consider whether the Service Replacement Offer(s) matches the outcomes of the community engagement and the needs of customers, and the robustness of the process of gaining customer agreement.

The Regulator and DoH are asked to consider:

- Whether the Service Replacement Offer(s) presented to customers adequately explains the costs and ongoing requirements and the proposed implementation approach.

All regulators asked to consider whether the Service Replacement Offer(s) adequately addresses their particular regulatory concern(s).

#### **7.3.5 Stage 1.4 – Amendment to serviced land**

Review point regulators: The Regulator, DoH and TFS.

This stage includes the Regulator consulting with other regulators and, if required, undertaking public consultation in relation to our service replacement process report.

The Regulator undertakes final review.

#### **7.3.6 Stage 1.5 – Installation of alternative supply**

Review point regulator: The Regulator.

Advice to DoH and TFS of completion of the service replacement process.

#### **7.3.7 Customer complaints**

Customers who have a complaint with any part the process may lodge a formal complaint with us through a range of avenues, as detailed on our website [www.taswater.com.au](http://www.taswater.com.au). If the customer remains dissatisfied with our response; we will advise the customer of their right to lodge a complaint with the Tasmanian Ombudsman.

#### **7.3.8 Engagement**

Engagement informs and drives the service replacement process. We will engage with our customers in the relevant localities, the local council and regulators. Other stakeholders will also be engaged as required.

This engagement is an important part of the decision-making process for determining the preferred solution and to make sure we meet our legal obligations.

As part of Stage 1.2 – Engagement with community and regulators (refer to flowchart below) we will provide the community with detailed options and the associated ongoing costs and obligations. The options presented will weigh up matters such as:

- Quality and quantity of water supply (e.g. rainfall, surface and bore)
- Upfront infrastructure costs (costs borne by TasWater)
- Ongoing costs and maintenance obligations (costs borne by customers)

- Existing investment by customers in their own water supplies e.g. rainwater tanks
- Community composition e.g. the proportion of permanent residents to occasional and temporary visitors. Lower permanent resident levels may influence the option(s) proposed by TasWater.

Community requirements will determine whether the preferred option will be implemented through provision of the alternative water source or an upfront payment to cover the reasonable costs of an alternative water supply. In some cases, it is not possible to get all customers to indicate their preferences. We will make all reasonable endeavours to engage with the community, including methods such as telephone contact, direct mail-outs, advertisements in local shops and/or newspapers and community meetings.

The second part of the community engagement is to get formal agreement from individual customers. For each customer we will provide details of the service replacement offer and an agreement to accept the offer.

Customers will be provided with up to 150 days (five months) to accept or reject the offer (the 'offer period').

Our policies regarding serviced land, connections and service charges are available at Sections 2, 3 and 5 respectively of this document.

We will proceed to seek an amendment to serviced land at the end of the offer period if 80 per cent or more of customers have accepted the offer. Should this threshold not be met at the end of the offer period, we will consult with the relevant regulators to determine an acceptable resolution.

The service replacement process is detailed in the series of flowcharts that follow.

Figure A6.1: Service replacement overview

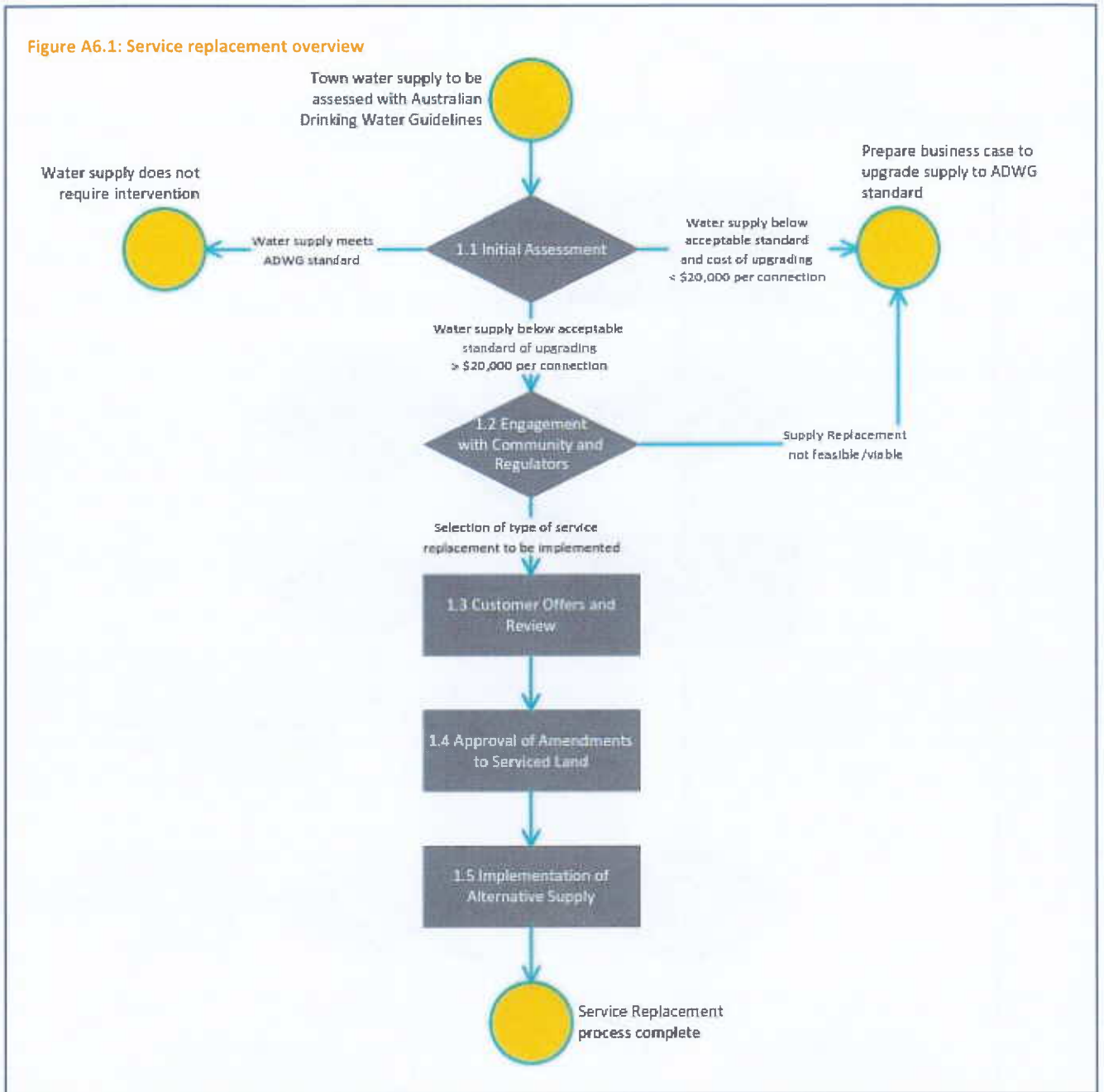
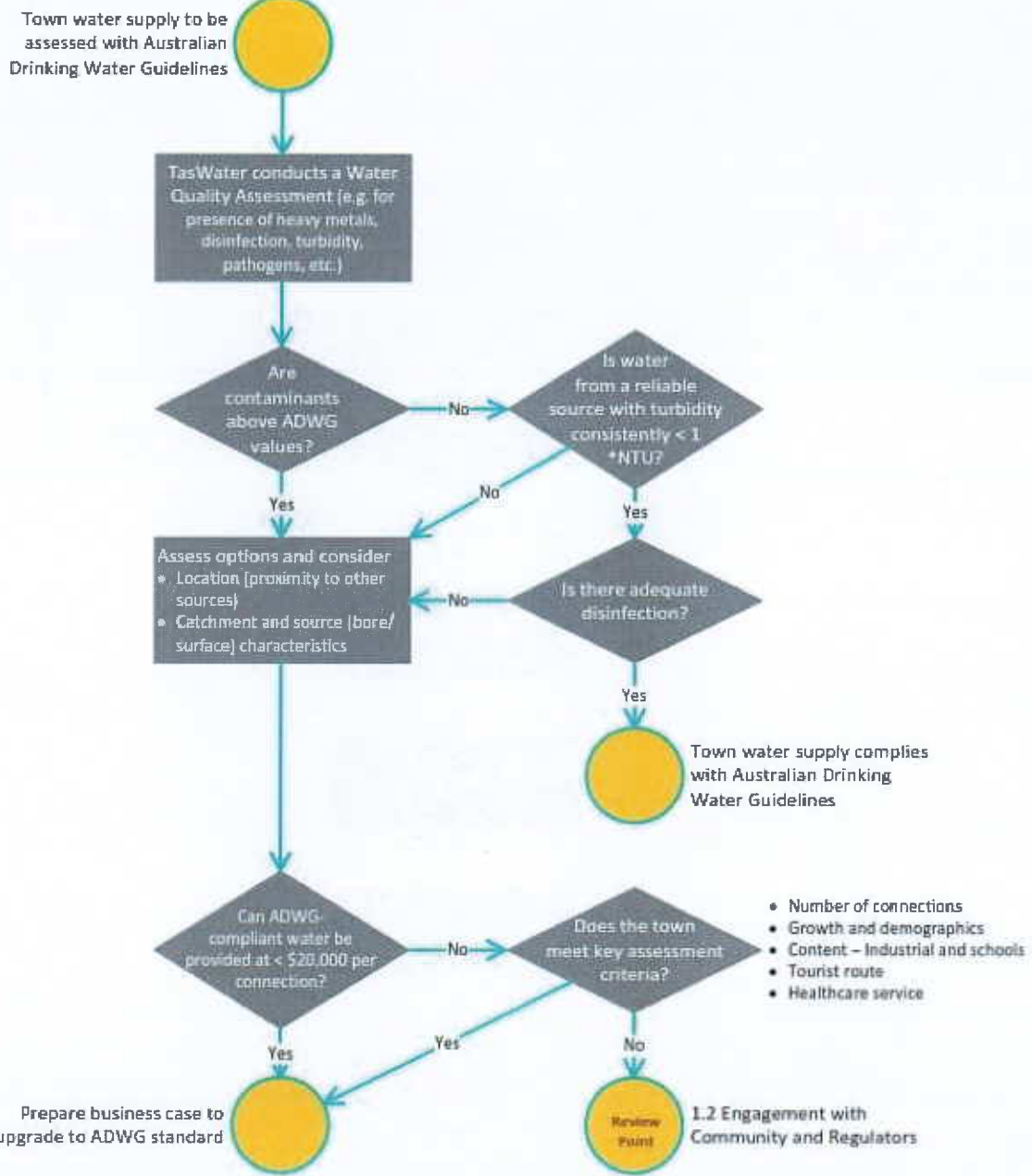


Figure A6.2: Initial assessment



\* NTU is a Nephelometric Turbidity Unit, a measure of the water's clarity affected by fine suspended particles.

Figure A6.3: Engagement with community and regulators

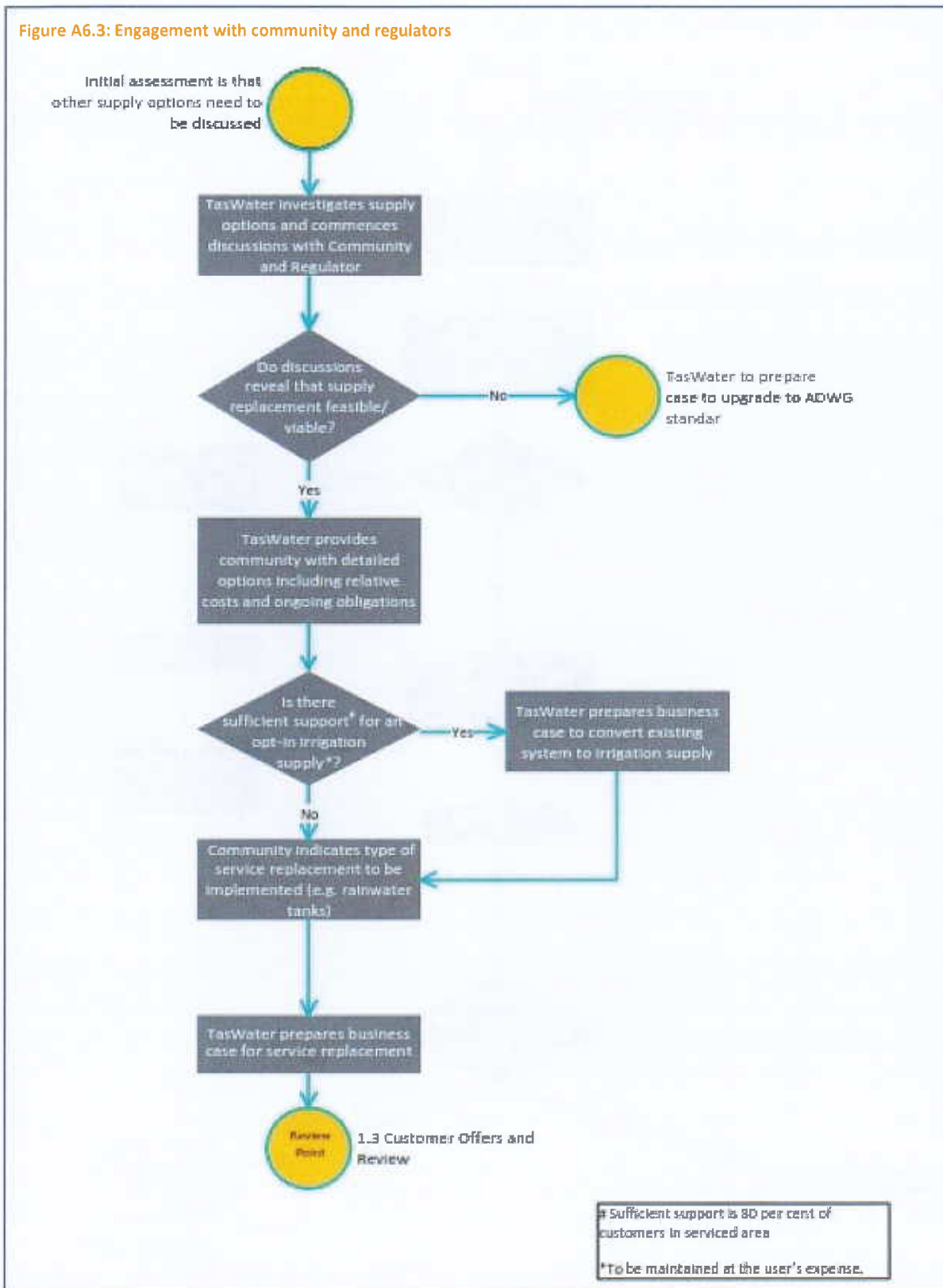


Figure A6.4: Customer offers and review

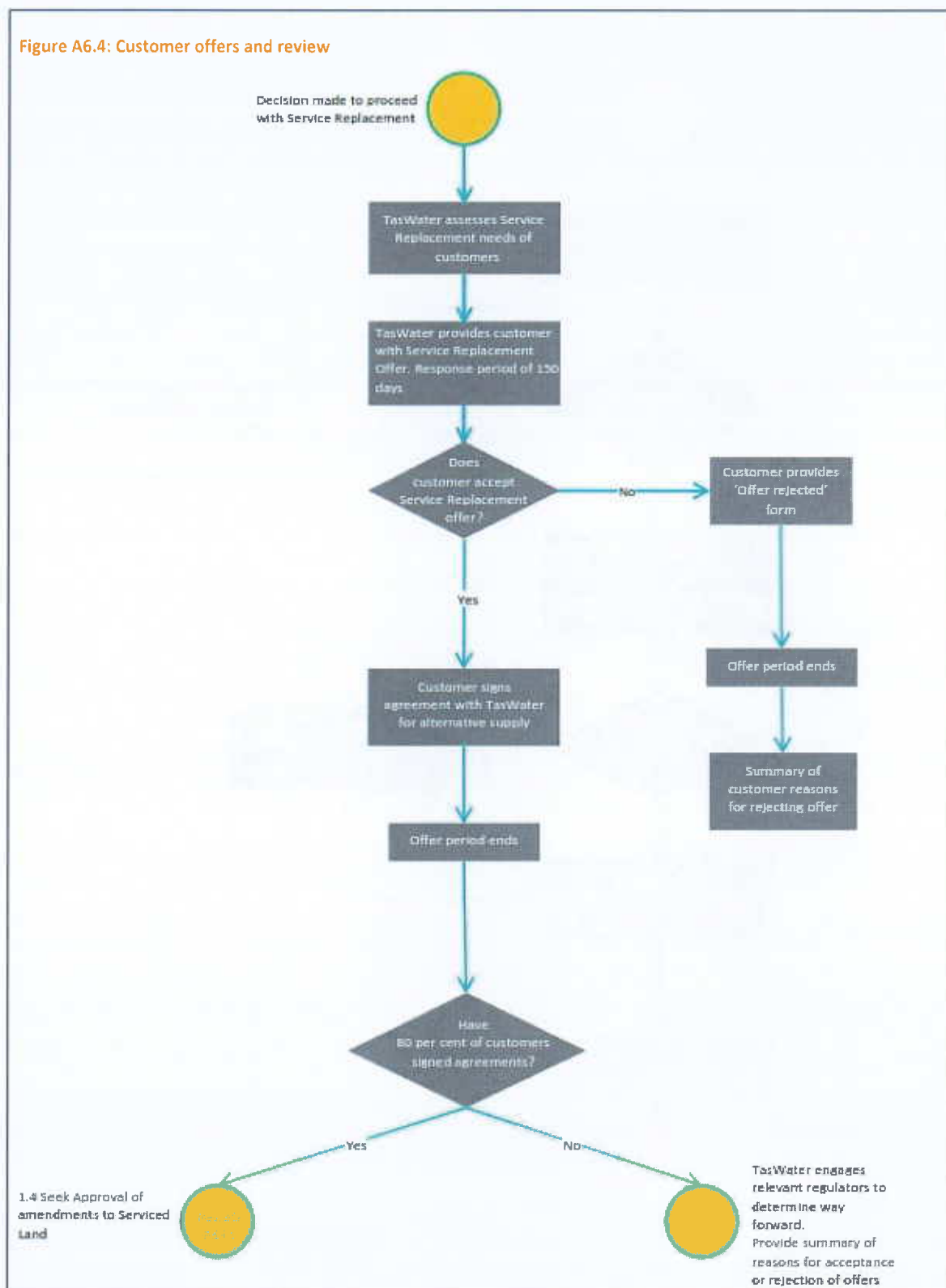




Figure A6.5: Amendment to Serviced Land

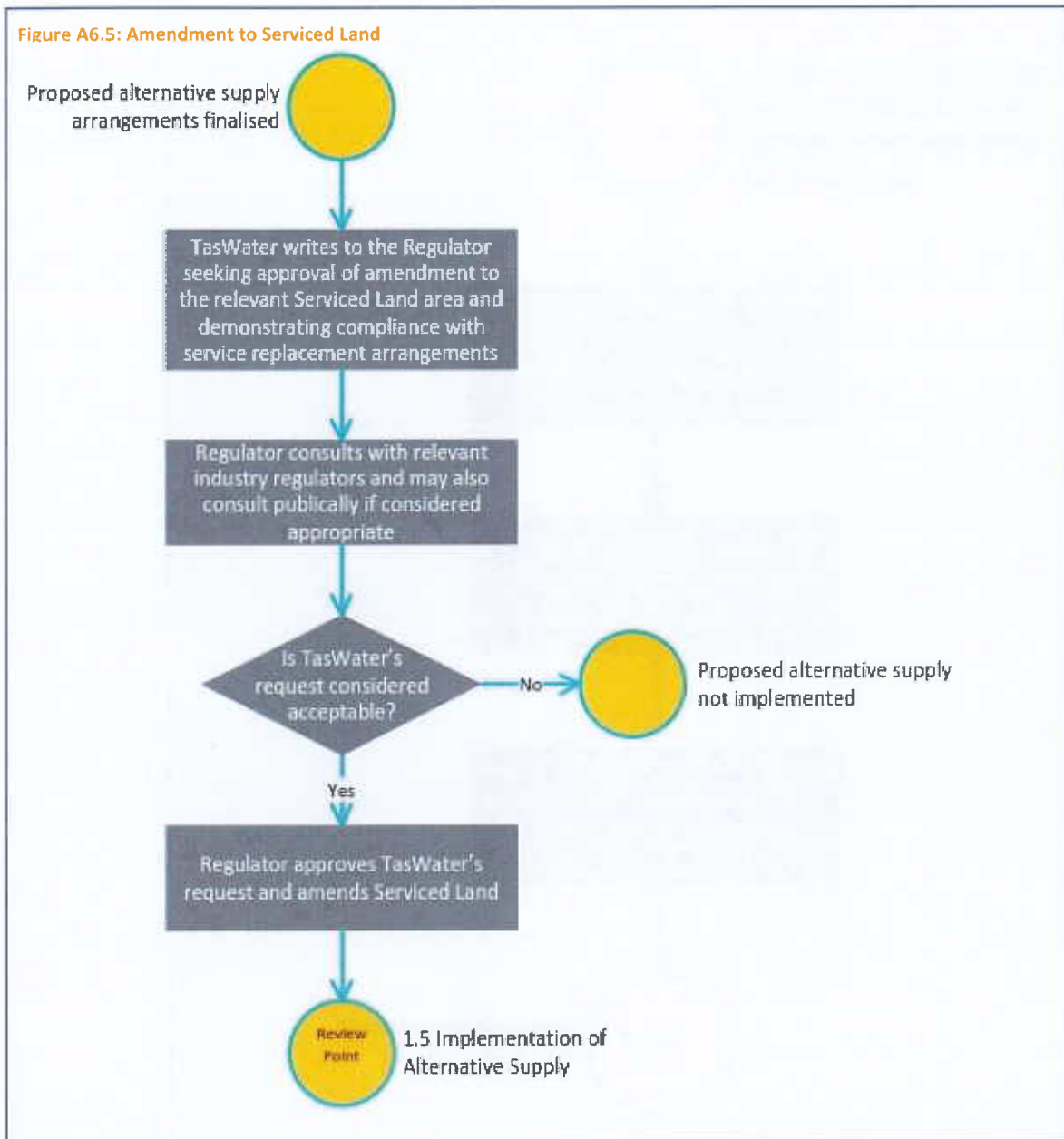


Figure A6.6: Installation of alternative supply

Alternative supply contract signed and Serviced Land area amended (condition precedent met)



TasWater / contractor installs alternative supply

TasWater makes any outstanding payments in line with contractual obligations

TasWater disconnects reticulated drinking water supply in line with contractual obligations



Service Replacement complete

## 8 Definitions

Table A6.3: Definitions

Term	Meaning
Act	Means the <i>Water and Sewerage Industry Act 2008</i> ,
body corporate	Has the same meaning as in Section 3 of the <i>Strata Titles Act 1998</i> .
certificate for certifiable work	Means a certificate referred to in Section 56TC(3) or Section 56TC(4) of the Act that is issued by us under Section 56TC of the Act.
Code	Means the Tasmanian Water and Sewerage Industry Customer Service Code issued by the Regulator under the Act.
common property	Has the same meaning as in Section 3 of the <i>Strata Titles Act 1998</i> .
concession	Means a concession granted under Section 8 of the <i>Water and Sewerage Industry (Community Service Obligation) Act 2009</i> ,
connection point	Has the same meaning as in Section 3 of the Act.
connection charge	Means a charge calculated by reference to the costs that are associated with installing assets that are dedicated to the provision of water services and/or sewerage services to a particular customer.
Customer Service Standards Regulations	Means the <i>Water and Sewerage Industry (Customer Service Standards) Regulations 2019</i> .
fixed charge	Has the same meaning as in Section 3 of the Pricing Regulations.
infrastructure	Means water infrastructure or sewerage infrastructure.
interposing pipe work	Means any pipe work that is between the connection point and the sub-meter and between the sub-meter and the strata titled lot. We do not own and are not responsible for providing and/or maintaining interposing pipe work.
lot	Has the same meaning as in Section 3 of the <i>Strata Titles Act 1998</i> .
master meter	Means a water meter installed at the connection point that measures the total volume of water supplied to a strata scheme or a multi-unit property. A master meter may be connected to sub-meters.
multi-unit property	Means a property that has more than one sole occupancy unit on one freehold title (i.e. a property not established as a strata scheme).
owner	Means the person(s) who holds the freehold interest in any land that is connected to our infrastructure or that a water or sewerage service is available to from us.
Price and Service Plan	Means a price and service plan approved under Section 65 of the Act.
Pricing Regulations	Means the <i>Water and Sewerage Industry (Pricing and Related Matters) Regulations 2021</i> .
Regulator	Means the Regulator referred to in Section 11 of the Act.
service charge	Means a charge levied under Section 68A of the Act and detailed in Section 5 of this document.
service introduction	Means the construction of water infrastructure and/or sewerage infrastructure by us to provide reticulated water services and/or sewerage services to established communities/townships not previously receiving reticulated water services and/or sewerage services.
service introduction charge	Means a charge, in respect of a property, that relates to the installation, alteration or utilisation of assets by us to enable the provision by us of a regulated service to the property but does not include: <ul style="list-style-type: none"> <li>• a connection charge</li> <li>• a fixed charge</li> <li>• a developer charge.</li> </ul>

Term	Meaning
serviced land	<p>Means land that we will permit to be connected to our water infrastructure or sewerage infrastructure. We have identified this land by individual title, in accordance with Section 56U(1)(b) of the Act.</p> <p>Serviced land boundaries will change over time as the capacity and reach of our systems change.</p> <p>Note: Information about our serviced land boundaries, including maps, is available on our website <a href="http://www.taswater.com.au">www.taswater.com.au</a>, <a href="http://The List (maps.thelist.tas.gov.au)">The List (maps.thelist.tas.gov.au)</a> and for inspection by customers at our offices. For further information contact us during business hours on 13 6992.</p>
sole occupancy unit	Means a building or other part of a building for occupation by one lessee, tenant or other occupier to the exclusion of any other lessee, tenant, or other occupier. A sole occupancy unit also includes any part of the building that is common property.
standard sewerage connection	Means a 100 mm sewerage connection to an unconnected property that is classified as serviced land and meets the requirements set out in Section 3.2 of this document.
standard water connection	<p>Means a 20 mm water connection to an unconnected property that is classified as serviced land and meets the requirements set out in Section 3.2 of this document.</p> <p>(TasWater has identified serviced land where, based on historical practices, some 25 mm water connections are also considered to be a standard water connection as defined above.)</p>
strata scheme	Has the same meaning as in Section 3 of the <i>Strata Titles Act 1998</i> .
sub-meter	Means a water meter that measures individual usage of water downstream of a master meter. The minimum sub-meter size is nominally 20 mm.
sub-metering	Means the installation of individual water meters to measure the volume of water supplied downstream of a master meter.
Supplement	Means the TasWater Supplement to Water Supply Code of Australia WSA 03-2011-3.1 (MRWA Edition) (available on our website at <a href="http://www.taswater.com.au">www.taswater.com.au</a> ).
unanimous resolution	Has the same meaning as in Section 3 of the <i>Strata Titles Act 1998</i> .
unit entitlement (also general unit entitlement and special unit entitlement)	Has the same meaning as in Section 16 of the <i>Strata Titles Act 1998</i> .
variable charge	Has the same meaning as in Section 3 of the Pricing Regulations.
water meter	Means a device, including equipment related to the device, for measuring the volume of water delivered to a property.
water meter manifold	Means a device that enables distribution of water from a single source to properties connected to the manifold. It involves a single water connection to the TasWater water main at the property boundary, which then separates into several smaller diameter connections that allows us to install a number of water meters for individual property/unit connection (Water Metering Guidelines version 2.0 (June 2015), available at <a href="http://www.taswater.com.au">www.taswater.com.au</a> ).

