



DEPARTMENT OF ENERGY, UTILITIES AND SUSTAINABILITY
NEW SOUTH WALES GOVERNMENT

Attachment 12⁴
127

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BATHURST CITY COUNCIL
10 MAY 2004
REF. 03.00030-02/014

DEUS Ref: 04/730

Mr Phillip Perram
General Manager
Bathurst City Council
Private Bag 17
BATHURST NSW 2795

5 May 2004

Dear Mr Perram

I am very pleased to provide Bathurst City Council with a copy of the *Best-Practice Management of Water Supply and Sewerage Guidelines*. Pursuant to section 409 (6) of the *Local Government Act 1993*, the Guidelines were gazetted on 5 May 2004 by the Hon Frank Sartor MP, Minister for Energy and Utilities, with the concurrence of the Hon Tony Kelly MLC, Minister for Local Government.

Best-practice management is fundamental to the provision of effective and efficient services to communities, and the promotion of sustainable water conservation practices and water demand management. The Guidelines set out six criteria for achievement of best-practice management of water supply and sewerage businesses, and substantial compliance with each is required if a Local Water Utility (LWU) wishes to pay a dividend from the surplus of its water supply and/or sewerage business to the council's general revenue.

* Substantial compliance is also a prerequisite for eligibility for financial assistance towards the capital cost of backlog infrastructure under the *Country Towns Water Supply and Sewerage (CTWS&S) Program*. Any LWU which achieves substantial compliance will have demonstrated that it is delivering efficient and sustainable water supply and sewerage services to its community.

I would like to take this opportunity to thank the many LWUs who have assisted in the development of these revised Guidelines. We look forward to continuing to work with you towards our shared goals. If you have any questions or concerns please contact the Department's Scott Chapman on 9895 5900.

Yours sincerely

David Nemtzw
Director-General

Handwritten notes and numbers: CT, 2117, 1119, 278, 333, 311, 35, 37

CT
CE
GM.

Executive Summary

The NSW Government encourages best-practice by all NSW Local Water Utilities (LWUs). The purpose of best-practice management is:

- to encourage the effective and efficient delivery of water supply and sewerage services; and
- to promote sustainable water conservation practices and water demand management throughout NSW.

The NSW Government is required to demonstrate compliance with National Competition Policy (NCP). The approach adopted since 1995 is to progressively encourage best-practice management by LWUs to ensure effective, efficient and sustainable water supply and sewerage businesses.

Demonstrated best-practice management is therefore a pre-requisite for payment of a dividend from the surplus of a local government LWU's water supply and sewerage businesses and for financial assistance under the CTWS&S Program.

There are six (6) criteria, each of which must be complied with to qualify for a dividend payment. These are:

1. Strategic Business Planning.
2. Pricing and Developer Charges (including Liquid Trade Waste Approvals).
3. Demand Management.
4. Drought Management.
5. Performance Reporting.
6. Integrated Water Cycle Management.

To be eligible to make a dividend payment from a surplus, an LWU must:

- Demonstrate compliance against the 6 best-practice management criteria through an independent compliance audit report; and
- Obtain an unqualified financial audit report for its water supply and/or sewerage business(es).
- Resolve in a council meeting open to the public that it has achieved "substantial compliance" with each criterion in these guidelines (pages 17, 26). The required outcome for each criterion is set out in Table 1 on page 18.

LWUs that demonstrate best-practice management by achieving the outcomes required by these guidelines will have effective and sustainable water supply and sewerage businesses.

Pursuant to section 409 (5) of the *Local Government Act (1993)*, a dividend may be paid after the end of each financial year commencing in 2003/04.



Pricing and Developer Charges (including Liquid Trade Waste Approvals²)

Best-practice water supply, sewerage and liquid trade waste pricing requires transparent tariff structures and price levels that:

- Recover efficient costs of service provision, including an appropriate return on infrastructure capital.
- Provide appropriate signals to customers about the cost consequences of their service demands, in order to encourage efficient use of resources (both environmental and financial) associated with service provision.
- Are consistent with the principles of COAG and National Competition Policy reform agendas.
- Are simple for customers to understand and easy for the service provider to implement and administer.
- Have due regard for the social implications of price/tariff movements in terms of impacts on "vulnerable" customers.
- Support, where practical, government policy objectives in relation to regional development, employment, public health and welfare.

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a) Water Supply Pricing

With water becoming an increasingly scarce resource both locally and globally, it is appropriate that LWUs focus on influencing water demand through increasing emphasis on usage based pricing.

Best-practice **water supply** pricing requires that the usage charge recover those costs that vary with demand in the long-term (ie. long-run marginal cost), through a usage charge. These costs should include licence and extraction fees from external regulatory agencies and should reflect the indirect costs (ie. externalities) associated with these demands.

Best-practice pricing includes removal of land value from access charges and removal of significant cross subsidies.

For some LWUs this cost may be such that all costs be recovered through a usage charge. Where an access charge is required, the access charge for larger non-residential customers should reflect their capacity requirements.

Where LWUs are responsible for both supply of fresh water and management of the wastewater (sewerage), integrated water cycle management (IWCM) strategies, including recycling, are becoming increasingly important. In this context, integrated pricing strategies could be considered. It is recognised that under the current Local Government Act this would not be possible since the Act requires that the water and sewerage 'special purpose' funds remain separate. Thus integrated water and sewerage pricing would require a legislative change.

² As Gosford and Wyong Councils' pricing and developer charges are regulated by IPART, these councils need only demonstrate compliance with the liquid trade waste approvals component of this criterion.

LWUs should adopt the following pricing principles when setting water supply tariffs:

1. Usage charges should be set to reflect the long-run marginal cost of water supply.
2. Residential water usage charges must be set to recover at least 75% of residential revenue.
Non-residential water usage charges should be set to recover at least 50% of non-residential revenue.
3. To encourage water conservation, high water consuming residential customers should be subjected to a step price increase (expressed as an "excess water charge") of at least 50% for incremental usage above a specified threshold. This threshold should not exceed 450 kL/a per household.
4. LWUs must bill at least three times each year (and preferably every quarter) to improve the effectiveness of pricing signals.
5. In situations where large cross-subsidies for non-residential customers currently exist, LWUs should develop pricing strategies that target the removal of these cross-subsidies over a 5 year period.

With a higher proportion of water supply revenue obtained from usage charges, LWUs' revenue will be more greatly affected by annual weather variations. LWUs may therefore establish a revenue fluctuation reserve of up to 10% of turnover. LWUs can draw on this reserve to assist them to cope with wet years or drought water restrictions where water sales are lower than predicted. Dry years will result in a corresponding increase in demand and revenue.

For guidance in developing and implementing best-practice pricing tariffs refer to Appendix B.

b) Sewerage Pricing

Best-practice **sewerage** pricing involves a uniform annual sewerage bill for residential customers. For non-residential customers an appropriate sewer usage charge is required for the estimated volume discharged to the sewerage system, together with an access charge based on the capacity requirements that their loads place on the system relative to residential customers.

For guidance in developing and implementing best-practice pricing tariffs refer to Appendix B.

c) Liquid Trade Waste Pricing & Approvals

Best-practice **liquid trade waste** pricing requires appropriate annual trade waste fees and re-inspection fees for all liquid trade waste dischargers. These fees are in addition to the non-residential sewerage bill.

The LWU must also levy an appropriate trade waste usage charge for trade waste dischargers with prescribed pre-treatment³, and appropriate excess mass charges for large trade waste dischargers (> about 20 kL/d) and for dischargers of industrial waste.

³ Prescribed pre-treatment comprises the equipment shown in Table 4.1 of 'Concurrence Guideline for Discharge of Liquid Trade Waste to the Sewerage System', DLWC 2002, or any pre-treatment facilities deemed appropriate by the LWU.

Strategic Business Plan – Check List

Topic	Outcome Achieved
B. Water Supply: Residential	<input type="checkbox"/> Pay-for-use: appropriate water usage charge/kL with no water allowance; independent of land value. Significant increase in the water usage charge/kL (50% to 100%) for discretionary consumption (Item 2b of Table 1 of these guidelines).
C. Sewerage: Residential	<input type="checkbox"/> Uniform annual sewerage bill per residential property, independent of land value (Ref 4, page 28).
D. Water Supply: Non-Residential	<input type="checkbox"/> Two-part tariff with appropriate water usage charge/kL and access charge.
E. Sewerage: Non-Residential	<input type="checkbox"/> Two-part tariff with appropriate sewer usage charge/kL and sewer discharge factor. Access charge reflective of the cost of providing these sewerage services.
F. Liquid Trade Waste Pricing	<input type="checkbox"/> Appropriate trade waste fees and charges for <u>all</u> liquid trade waste dischargers (Ref 4, page 30). <input type="checkbox"/> Trade waste usage charge for dischargers with prescribed pre-treatment (Ref 4, page 34). <input type="checkbox"/> Excess mass charges for large dischargers and industrial waste (Ref 4, page 36).
G. Liquid Trade Waste Policy and Approvals	<input type="checkbox"/> Trade Waste Policy adopted by 30 June 2005. Trade waste approval issued to <u>each</u> liquid trade waste discharger (Ref 5).
H. Developer Charges	<input type="checkbox"/> Development Servicing Plan ⁺ with commercial developer charges; disclosure of any cross-subsidies (Ref 6, page iv). + LWUs with a growth of under 5 lots/a exempted.
6.3 Environmental Management	<input type="checkbox"/> Summary of LWU's Environmental Management achievements is included.
6.4 Integrated Water Cycle Management	<input type="checkbox"/> Summary of integrated water cycle management is included.
6.5 Demand Management	<input type="checkbox"/> Summary of LWU's demand management is included.
6.6 Drought Management	<input type="checkbox"/> Summary of LWU's drought management is included.
6.7 Community Consultation	<input type="checkbox"/> Summary of community consultation is included
6.8 Occupational Health & Safety	<input type="checkbox"/> Summary of LWU's occupational health and safety achievements is included.
7. Asset Management Plan	<input type="checkbox"/> Summary of changes required to O & M procedures (eg. to operate new facilities) are reported, including impact on OMA expenditures. <input type="checkbox"/> Asset register completed (Ref 13). <input type="checkbox"/> Summary of best-practice operation plan is included (Ref 13). <input type="checkbox"/> Summary of best-practice maintenance plan is included. Also report your LWU's implementation of any DEUS section 61 recommendations for corrective action with respect to water and sewage treatment works and dams. <input type="checkbox"/> <i>Capital works program</i> included showing a tabulation of proposed annual expenditure for each project, including cost-effective asset renewals. Capital works program is integrated with the strategic business plan to meet the target levels of service. <i>Template is available from DEUS.</i>

Appendix B – Pricing and Developer Charges

Section 1: Water Supply, Sewerage and Trade Waste Pricing

Check List – April 2004

Best-practice pricing of Local Water Utility (LWU) water supply, sewerage and liquid trade waste services is fundamental to effective management of water supply and sewerage businesses. Appropriate tariffs ensure fair pricing of services, removal of significant cross-subsidies and protection of our valuable water resources and environment.

or introduction of new ones?

The main reference for the implementation of best-practice pricing is Ref 1 – *Water Supply, Sewerage and Trade Waste Pricing Guidelines*.

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To comply with the COAG Strategic Framework for Water Reform and National Competition Policy, each LWU needs to achieve:

- Full cost-recovery for its water supply business and for its sewerage business (Ref 1, page 7).
- Appropriate water supply tariff with appropriate water usage/kL, no land value (ie. rates) in charges, no water allowance.
- Appropriate sewerage tariff with a uniform annual sewerage bill per residential property (Ref 1, page 28), two-part tariff with appropriate sewer usage charge/kL for non-residential customers (Ref 1, page 29, 31) and no land value (ie. rates) in sewerage charges (Ref 1, page 31).
- Annual trade waste fee for all liquid trade waste dischargers (Ref 1, page 30), trade waste usage charges for dischargers with prescribed pre-treatment (Ref 1, page 34) and excess mass charges for large dischargers of industrial waste (Ref 1, page 36).

The NSW Water Supply Pricing software and the NSW Sewerage and Trade Waste Pricing Software will simplify development and analysis of tariff options. In addition, the Typical Residential Bill (TRB) and the total annual income should be on the basis of a sound financial plan.

This check list is essentially a road map to assist LWUs to quickly address the issues in Ref 1. It also highlights common deficiencies in tariffs. Each LWU should use the check list to ensure that it has addressed the necessary issues. Each LWU should also annually review its tariffs to ensure they are raising the required income for its water supply and sewerage businesses.

Manager, Water Utility Performance
Department of Energy, Utilities and Sustainability
Level 17
227 Elizabeth Street
Sydney NSW 2000

Water Supply Pricing – Check List

Topic	Outcome Achieved
1. Tariff	<p>A. <input type="checkbox"/> Two-part tariff with an appropriate water usage charge/kL based on the long-run marginal cost.</p> <p>B. <input type="checkbox"/> To encourage water conservation, high water consuming residential customers should be subjected to a step price increase (expressed as an “excess water charge”) of at least 50% for incremental usage above a specified threshold. This threshold should not exceed 450 kL/a per household.</p> <p>C. <input type="checkbox"/> Does <u>not</u> involve a water allowance, land value based charges (rates) or a declining block tariff (Ref 1, page 12).</p> <p>D. <input type="checkbox"/> Raises required income to ensure full cost-recovery, the long-term financial sustainability of the water supply business and minimising of customer bills (Ref 1, page 7).</p> <p>E. <input type="checkbox"/> Residential water use charges should recover at least 75% of residential revenue.</p> <p>F. <input type="checkbox"/> Non-residential water usage charges should recover at least 50% of non-residential revenue.</p>
2. Access charge	<p><input type="checkbox"/> Annual access charges reflective of customer’s demands on the system.</p>
3. Residential Units	<p><input type="checkbox"/> Each strata title unit treated as a single residential assessment with a 20mm service connection (Ref 1, page 14). Pensioners can thus receive the \$87.50 pensioner rebate from their bill (sections 501, 502 and 575 (3) (b) of <i>Local Government Act 1993</i>).</p> <p><input type="checkbox"/> Company or community title units treated as a single non-residential customer under a two-part tariff. However, under an inclining block tariff such properties must be disaggregated into the appropriate number of units and treated as described above for strata title units (Ref 1, page 14).</p>
4. Tariff implementation	<p>A. <input type="checkbox"/> Examined impact of new tariff on the bills for representative customers (Ref 1, page 20).</p> <p>B. <input type="checkbox"/> Undertaken community consultation.</p> <p>C. <input type="checkbox"/> Any phasing-in of charges should be on the basis of the adopted best-practice tariff.</p> <p>D. <input type="checkbox"/> Phased-in increases over 5 years for non-residential customers facing large increases (Ref 1, page 21).</p>
5. Data Management	<p><input type="checkbox"/> Appropriate customer data compiled, including customer identifier, metered annual water consumption, service connection size and customer category (Ref 1, page 52).</p>

Sewerage and Trade Waste Pricing – Check List

Topic	Outcomes Achieved
6. Sewerage Tariff	<p>A. <input type="checkbox"/> Uniform annual sewerage bill per residential property (Ref 1, page 28).</p> <p>B. <input type="checkbox"/> Two-part sewerage tariff for non-residential customers (Ref 1, page 29).</p> <p>C. <input type="checkbox"/> Does <u>not</u> involve land value based tariffs (rates), uniform annual charges or declining block tariffs (Ref 1, page 27).</p> <p>D. <input type="checkbox"/> Raises required income to ensure full cost-recovery, the long-term financial sustainability of the sewerage business and minimising of customer bills (Ref 1, page 7).</p>
7. Sewer Usage Charge	<p><input type="checkbox"/> Sewer usage charge/kL reflects the long-run marginal cost of sewerage business (Ref 1, page 29).</p>
8. Sewerage Access Charge	<p><input type="checkbox"/> Annual non-residential sewerage access charge reflective of customer's peak load on the system (Ref 1, page 31).</p>
9. Residential Units	<p><input type="checkbox"/> Each strata title residential unit or flat treated as a residential assessment (ie. no distinction between houses and flats)</p> <p><input type="checkbox"/> A block of company or community title units or flats treated as a single non-residential assessment.</p>
10. Sewer Discharge Factor	<p><input type="checkbox"/> The volume of sewage discharged to the sewerage system may be estimated using a sewer discharge factor times the metered water consumption (Ref 1, pages 29 and 93).</p>
11. Trade Waste Tariffs	<p>A. <input type="checkbox"/> All liquid trade waste dischargers requiring nil or minimal pre-treatment pay an annual trade waste fee and a re-inspection fee, where required (Ref 1, page 33).</p> <p>B. <input type="checkbox"/> All liquid trade waste dischargers with prescribed pre-treatment pay an annual trade waste fee and a re-inspection fee (where required) together with an appropriate trade waste usage charge/kL for all liquid trade waste discharged to the sewerage system (Ref 1, page 34).</p> <p>C. <input type="checkbox"/> All large liquid trade waste dischargers (> about 20kL/d) and dischargers of industrial waste pay an annual trade waste fee and re-inspection fee (where required) together with an excess mass charge/kg of pollutants discharged (Ref 1, page 36).</p>

Occasional Fire fighting cannot possibly load the sewer system



Sewerage and Trade Waste Pricing – Check List

Topic	Outcomes Achieved
12. Trade Waste Dischargers with Prescribed Pre-treatment	<input type="checkbox"/> An appropriate trade waste usage charge levied for such dischargers with appropriately sized and maintained pre-treatment facilities (Ref 1, page 35). <input type="checkbox"/> A much higher trade waste usage charge levied for such dischargers without appropriately sized and maintained pre-treatment facilities (Ref 1, page 35).
13. Excess Mass Charges for Large Trade Waste Dischargers and Industrial Waste	<input type="checkbox"/> Appropriate excess mass charges apply for all such dischargers exceeding the concentration of pollutants in domestic sewage (ie. BOD 300mg/L; SS 300mg/L; Oil/Grease 50mg/L; Ammonia (as N) 35mg/L; N (as TKN) 50mg/L; P 10mg/L; TDS 1000mg/L) (Ref 1, pages 37, 97 and 98).
14. Trade Waste Discharge Factor	<input type="checkbox"/> The volume of liquid trade waste discharged to the sewerage system may be estimated using a trade waste discharge factor times the metered water consumption (Ref 1, pages 35 and 93).
15. Tariff Implementation	<div style="display: flex; align-items: flex-start;"> <div style="margin-right: 20px;"> <p>A. <input type="checkbox"/> Examined impact of new tariff options on the sewerage and trade waste bills for representative customers (Ref 1, page 40).</p> <p>B. <input type="checkbox"/> Undertaken community consultation.</p> <p>C. <input type="checkbox"/> Any phasing-in of charges should be on the basis of the sewer usage charge and trade waste fees and charges in the adopted best-practice tariff (Ref 1, page 43).</p> <p>D. <input type="checkbox"/> Phased-in of increases over 5 years for non-residential and trade waste customers facing large increases (Ref 1, page 43).</p> </div> </div>
16. Data Management	<input type="checkbox"/> Appropriate customer data compiled including customer identifier, metered annual water consumption, water service connection size, customer category, business type, sewer discharge factor, trade waste customer category and trade waste discharge factor (Ref 1, page 52).



REFERENCES

1. *Water Supply Sewerage and Trade Waste Pricing Guidelines*, Department of Land and Water Conservation, NSW, 2002.
2. *NSW Financial Planning Model (FINMOD) – Overview of Financial Planning, How FINMOD Works, User Manual*, Department of Land and Water Conservation, NSW, 2000.
3. *2001/02 NSW Water Supply and Sewerage Performance Monitoring*, Ministry of Energy and Utilities/Local Government Association and Shires Association, NSW.
4. *Wise Water Management – A Demand Management Manual for Local Water Utilities*, Water Services Association of Australia, 1998.
5. *Planning Community Involvement in Water and Sewerage Projects*, Public Works, NSW, 1995.
6. *Concurrence Guideline for Liquid Waste Discharges to the Sewerage System*, Department of Land and Water Conservation, NSW, 2002.

NOTES

1. For further information, assistance and copies of the pricing software and reference documents, please contact Scott Chapman, Performance and Benchmarking Coordinator on 9895 5900 or Scott.Chapman@deus.nsw.gov.au



IMPLEMENTATION OF BEST PRACTICE SEWERAGE PRICING

1. What is the Best Practice Sewerage Pricing?

The NSW Department of Energy, Utilities (DEUS) and sustainability has introduced guidelines of how Bathurst Regional Council and other sewer businesses must price sewer services. DEUS is the Regulatory Authority for local water and sewer utilities such as Bathurst Regional Councils.

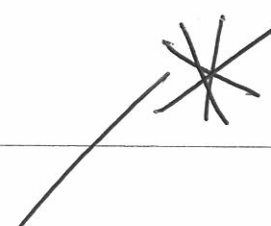
The significant changes to pricing of the sewer services include:

- Removal of the use of land value in the calculation of sewerage charges
- Introduction of a uniform sewerage bill per residential property
- Introduction of a non - residential system
Two part tariff:
 1. Usage charge/ kl water consumed and discharge factor
 2. Access charge based on water supply connection size and discharge factor

2. How will the changes in sewer pricing affect me?

Residential single premises properties will not see an increase in sewer charges. This is because the previous minimum rate for sewer (\$350.80) was slightly higher than the new annual charge (\$350.50).

Non-residential customers with large connection sizes and/or large water consumption that is discharged into the sewer will most likely face higher sewerage bills. Identified customers have been notified in writing.



Non-residential customers with higher land values but small connection sizes and/or small water consumption discharged into the sewer will most likely face lower sewerage bills.

3. How will council now implement Best Practice pricing for sewer?

From 1 July 2004 new charges will apply. It is important to recognise that the implementation of Best Practice Pricing by Bathurst Regional Council will not generate more revenue; however it will re-distribute the revenue in a more equitable fashion to our customers.

4. Why Best-Practice Pricing?

DEUS states that best-practice pricing is fundamental to sound management of a sewerage business as it provides:

- Fair pricing to equitably share cost of services provision and removes significant cross subsidies
- Appropriate pricing signals which enable customers to balance the benefits and costs of using the services, thereby promoting efficient use and reduced wastage
- Appropriate cost recovery



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*This has been ignored
LET'S make the
allowance for fire service
equipment.*

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Thursday, July 1, 2004

\$1.20 Including GST



FIRST FEMALE POLICE CHAPLAIN

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MULDOON'S TRIPLE SUCCESS
- Page 60

Sewerage bill more than triples for one business under new pricing scheme

User-pays stinks

By Lisa Gervais

SOME business owners think Bathurst Regional Council's new user-pays sewerage scheme pricing stinks.

Allan Baird, who owns a commercial/industrial property in Mitre Street, said he has received an estimate in the post and he is looking at an increase to \$1849 per annum, up from \$529.

"It's just gone through the roof," Mr Baird said.

He said the problem with his building is there is not much water used and there-

fore not much discharged into the sewer so he has written to council general manager David Sherley seeking reconsideration of his new fee.

Bathurst Regional Council administrator Kath Knowles urged disgruntled business owners to come forward.

"Talk to us about it," she said.

"They can make an appointment with either myself or the regional treasurer's department to discuss the impact of the charge on individual businesses."

The charge is effective from today. President of Bathurst Chamber of

Commerce Lachlan Sullivan is critical of the new system.

His biggest complaint is that council is using an access charge.

For example, Mr Sullivan said, one chamber member has an 80mm access to the meter.

He said the water consumption was a low 88 kilolitres a day, which equates to a daily discharge of around 240 litres (roughly the equivalent of two showers) and yet his fee would increase to over \$4700 from \$1000-a-year, a 340 per cent increase on the previous year.

A spokesman for council's treasurer's department said there will be "anomalies" in the new system, just as there were when user-pays water came into place. The spokesman reiterated that treasury staff want to hear from businesses who have concerns.

He also emphasised the new system was forced on council by the State Government and it is revenue neutral.

It is also designed to address past inequities when residents subsidised businesses for sewerage charges.

Continued page 2

From village store to farmer:

Attachment 1
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Carters

Carter Bros Engineering Pty Ltd

ACN 002 244 411
3 Toronto St
Bathurst NSW 2795
Phone 02 6331 6811
Facsimile 02 6332 3185
Email cartbros@ix.net.au

16 July 2004

Ms Kath Knowles
Administrator
Bathurst Regional Council

Dear Ms Knowles

In regard to proposed Access Charges. BRC Ref. TD:AL:26.00010

Included are our comments and calculations of effects of Councils proposed increased charges in regard to the above for each of our properties as notified. Toni Dwyer invited us to submit the same.

You will note that water usage for most of these, is quite low even compared to residential properties. Included are our estimated figures for SDF.

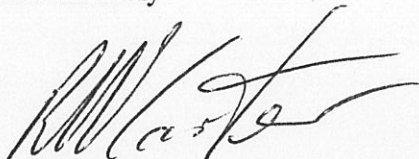
We await BRC reply on previous correspondence.

In the meantime we stress our belief that any direction from the State Government to Councils under the heading "best practice pricing" or "fair pricing" would of necessity be exactly that. In this we would understand that there is meant to be a correlation between actual demand on, or load on the sewer or water systems. Is this correct or not?

Councils explanation of the "Two part tariff" is incongruous, unless under the guidelines from the Dept of Energy Utilities and Sustainability it is meant that the Sewer Discharge Factor has something to do with the size of a water meter.

I cannot conceive that this is what the guideline given to Council is meant to be. Could I please meet with you again on this matter and perhaps you could show me exactly how this is stated.

Yours sincerely



Ray Carter
Director

Mobile Phone 0407 258882
Fax 6332 3185

COMMENTS

PROPERTY LOCATION, DESCRIPTION & ASSESSMENT NUMBER

<p>PREFABRICATED BUILDINGS P/L 369 Stewart St Lot 2 DP 270264 52444-00000-5</p>	<p>This property is a Community Title subdivision. We need to know the nature of the sharing of the water costs with Highland Pine (and how we may divide the metering in the future) if that is the only way to fix this anomaly. Large water meter connection for Fire Hose reel purposes only. We estimate the SDF on 03-04 consumption, taking into account landscaping watering. Water consumption 2003-04</p>	<p>80 367 kl</p>	<p>OLD 4490.26 NEW 7569.85 CHANGE 3079.59 INCREASE 168.6 %</p>
<p>PREFABRICATED BUILDINGS P/L Stewart St Mitchell 2795 Lot 2 DP 110042 4383-100000-7</p>	<p>This land is vacant. It does not have sewerage available to it as it is isolated and without easements to it through any surrounding property for that purpose.(Water or Sewerage) We have made enquiries at the Planning dept and been told that building on the Lot is not permissible probably for that reason. <i>We do wonder what this property may be used for. Perhaps Council may have some suggestion.</i></p>	<p>0 kl</p>	<p>OLD 884.94 NEW 2236 CHANGE 1351.06 INCREASE 252.7 %</p>
<p>COVEPORT P/L 1 Adrienne St Reglan 2795 Lot 31 DP 870672 50338-00000-8</p>	<p>Large water meter connection for Fire Hose reel purposes only. Water consumption 2003-04 We estimate the SDF on 03-04 consumption, taking into account landscaping watering. Water consumption 2003-04 Large water meter connection for Fire Hose reel purposes only.</p>	<p>70 556 kl</p>	<p>OLD 1311.02 NEW 4877.68 CHANGE 3566.66 INCREASE 372.1 %</p>
<p>COVEPORT P/L 5 Zagreb St Kelso 2795 Lot 21 DP 884404 50340-00000-4</p>	<p>We estimate the SDF on 03-04 consumption, taking into account landscaping watering. Water consumption 2003-04 Large water meter connection for Fire Hose reel purposes only.</p>	<p>70 280 kl</p>	<p>OLD 350.82 NEW 1039.6 CHANGE 688.78 INCREASE 296.3 %</p>
<p>CARTER BROS ENG P/L 3 Toronto St Kelso 2795 Lot 8 DP 1007537 4727-25000-5</p>	<p>We estimate the SDF on 03-04 consumption, taking into account landscaping watering. Water consumption 2003-04 Large water meter connection for Fire Hose reel purposes only.</p>	<p>40 394 kl</p>	<p>OLD 350.82 NEW 1039.6 CHANGE 688.78 INCREASE 296.3 %</p>

CARTER BROS ENG PL
13 Adrienne St Raglan 2795
Lot 214 DP 776787
5631-94010-2

page 2 of 3

We estimate the SDF on 03-04 consumption, taking into account landscaping watering.
Water consumption 2003-04
Large water meter connection for Fire Hose reel purposes only.

OLD 350.82
NEW 893.19
CHANGE 542.37
INCREASE 254.6 %

30
590 kl

CARTER BROS ENG P/L
Hampton Park Rd Kelso 2795
Lot 3 DP 877326
1508-01998-9

We estimate the SDF on 03-04 consumption, taking into account landscaping watering.
Large water meter connection for Fire Hose reel purposes only Water consumption 2003-04

OLD 740.73
NEW 1475.81
CHANGE 735.08
INCREASE 199.2 %

70
416 kl

WE IR & RW CARTER
6 Littlebourne St Kelso
Lot 6 DP 714297
2662-44000-3

We estimate the SDF on 03-04 consumption, taking into account landscaping watering.
Large water meter connection for Fire Hose reel purposes only.

OLD 481.8
NEW 2014.44
CHANGE 1532.64
INCREASE 418.1 %

90
257 kl

WE IR & RW CARTER
10 Littlebourne St Kelso 2795
Lot 4 DP 714297
2662-43000-4

We estimate the SDF on 03-04 consumption, taking into account landscaping watering.
Large water meter connection for Fire Hose reel purposes only Water consumption 2003-04
The water system on this property has been broken, which reflects in the usage. This will change

OLD 351.35
NEW 1295.74
CHANGE 944.39
INCREASE 368.8 %

90
173 kl

WE IR & RW CARTER
15 Adrienne St Raglan 2795
Lot 213 DP 776787
5631-93000-4

We are being charged for a water meter that exists on the footpath at this property. The meter was installed by Council for use by the public. We request a refund on all monies wrongly charged to date.

OLD 350.82
NEW 2528.5
CHANGE 2177.68
INCREASE 720.7 %

60
367 kl

WE IR & RW CARTER
11 Adrienne St Raglan 2795
Lot 215 DP 776787
5631-94020-1

We estimate the SDF on 03-04 consumption, taking into account landscaping watering.
Large water meter connection for Fire Hose reel purposes only.

OLD 350.82
NEW 1281.66
CHANGE 930.84
INCREASE 365.3 %

80
154 kl

WR & I CARTER
9 Adrienne St Raglan 2795
Lot 1 DP 845853
5631-94210-8

OLD 241.86
NEW 2106.32
CHANGE 1864.46
INCREASE 870.9 %

70
381 kl

We estimate the SDF on 03-04 consumption, taking into account landscaping watering.
Water consumption 2003-04
Large water meter connection for Fire Hose reel purposes only.

RW & I CARTER
2 Littlebourne St Kelso 2795
Lot 5 DP 714297
2662-45000-2

OLD 550.63
NEW 4288.62
CHANGE 3737.99
INCREASE 778.9 %

8
3203 kl

We estimate the SDF on 03-04 consumption, taking into account landscaping watering.
Water consumption 2003-04
Large water meter connection for Fire Hose reel purposes only.
Watering of the large landscaped area and footpath has caused large water usage.
No doubt water use here will be revised.

TOTAL INCREASE \$ 21151.54

Carters

Carter Bros Engineering Pty Ltd

96

ACN 002 244 411
3 Toronto St
Bathurst NSW 2795
Phone 02 6331 6811
Facsimile 02 6332 3185
Email cartbros@ix.net.au

16 July 2004

Ms Kath Knowles
Administrator
Bathurst Regional Council

Dear Ms Knowles

In regard to proposed Access Charges. BRC Ref. TD:AL:26.00010

Included are our comments and calculations of effects of Councils proposed increased charges in regard to the above for each of our properties as notified. Toni Dwyer invited us to submit the same.

You will note that water usage for most of these, is quite low even compared to residential properties. Included are our estimated figures for SDF.

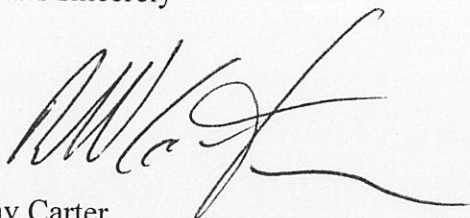
We await BRC reply on previous correspondence.

In the meantime we stress our belief that any direction from the State Government to Councils under the heading "best practice pricing" or "fair pricing" would of necessity be exactly that. In this we would understand that there is meant to be a correlation between actual demand on, or load on the sewer or water systems. Is this correct or not?

Councils explanation of the "Two part tariff" is incongruous, unless under the guidelines from the Dept of Energy Utilities and Sustainability it is meant that the Sewer Discharge Factor has something to do with the size of a water meter.

I cannot believe that this is what the guideline given to Council is meant to be. Could I please meet with you again on this matter and perhaps you could show me exactly how this is stated.

Yours sincerely



Ray Carter
Director

Mobile Phone 0407 258882
Fax 6332 3185

PROPERTY LOCATION, DESCRIPTION & ASSESSMENT NUMBER	COMMENTS	80 367 kl	OLD NEW CHANGE INCREASE 4490.26 7569.85 3079.59 168.6 %
PREFABRICATED BUILDINGS P/L 369 Stewart St Lot 2 DP 270264 52444-00000-5	This property is a Community Title subdivision. We need to know the nature of the sharing of the water costs with Highland Pine (and how we may divide the metering in the future) if that is the only way to fix this anomaly. Large water meter connection for Fire Hose reel purposes only. We estimate the SDF on 03-04 consumption, taking into account landscaping watering. Water consumption 2003-04		
PREFABRICATED BUILDINGS P/L Stewart St Mitchell 2795 Lot 2 DP 110042 4383-100000-7	This land is vacant. It does not have sewerage available to it as it is isolated and without easements to it through any surrounding property for that purpose.(Water or Sewerage) We have made enquiries at the Planning dept and been told that building on the Lot is not permissible probably for that reason. We do wonder what this property may be used for. Perhaps Council may have some suggestion.		
COVEPORT P/L 1 Adrienne St Raglan 2795 Lot 31 DP 870672 50338-00000-8	Large water meter connection for Fire Hose reel purposes only. Water consumption 2003-04	0 kl	
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CARTER BROS ENG P/L 3 Toronto St Kelso 2795 Lot 8 DP 1007537 4727-25000-5	We estimate the SDF on 03-04 consumption, taking into account landscaping watering. Water consumption 2003-04 Large water meter connection for Fire Hose reel purposes only.	40 394 kl	OLD NEW CHANGE INCREASE 350.82 1039.6 688.78 296.3 %

CARTER BROS ENG PL
13 Adrienne St Raglan 2795
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WR & I CARTER
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Carters

Carter Bros Engineering Pty Ltd

hachlan
shanks
Ray

100

ACN 002 244 411
3 Toronto St
Bathurst NSW 2795
Phone 02 6331 6811
Facsimile 02 6332 3185
Email cartbros@ix.net.au

19 July 2004

Ms Kath Knowles
Administrator
Bathurst Regional Council

*Draft
for comment.*

Dear Ms Knowles

In regard to proposed Access Charges. BRC Ref.TD:AL:26.00010 and your reply dated 5 August 2004 to my letters.

In response to point no.1. I ask and so as to be prepared to speak to Councils water hydraulics engineer when our case is investigated. For what purpose will you "investigate any matter raised in relation to the meter size required as compared to the meter size required for fire fighting purposes"? On first reading this statement it appeared at first to me that the purpose Council would be to consider the obvious calculation of a "nominal" size for the water meter charge as advised by the State Govt., however in (e) it says that "Council resolved", that "nominal sizing of meters is not used for calculating access charges due to the common practice of using fire hose reels" Again, if Councils hydraulics engineer is to "investigate", what is the purpose? Also, in regard to the review of Sewer Discharge factors you say that will be warranted if "sufficient information is given". Obviously the number of person using premises is the major factor. Could you please let me know what are the criteria for this?

In three places in your letter you refer to fire hose reels.

In 2. You state "Council is aware of the practice of using water from the fire hose reels in **some** cases." This is a downgrading of the actual resolution from the 21 July meeting, which is, "nominal sizing of water meters is not used for calculating access charges due to the **common** practice of using fire hose reels". I raise two issues here. First these are very sweeping statements, one of which is, incredibly, a resolution. Second, this resolution (e), without explaining what the suspected "common practice" is, remains a crucial resolution in the formulation of Council's Access Charge and the rejection of nominal sizing of water meters. There is obviously more to this notion than is simply stated, so could you please tell what this means?