

3 Toronto St  
Kelso  
22/07/08

Gerard Martin MP  
Member for Bathurst

Dear Gerard

your ref CBE:08

Thank you for your prompt reply and offer to take up the matter of the Sewer Access Charge with Bathurst Regional Council. I think what the issue boils down to now is Council being brought to account for deftly declining to publicly acknowledge or advertise the existence of the alternative for non-residential ratepayers for four years.

To show you how effective BRC is in protecting its stand on the issue I reiterate the following.

I contacted the President of the Bathurst Business Chamber yesterday to ascertain why he was not taking the issue further with Council, as he seemed very fired up on it when he wrote to them demanding answers to similar questions that I had asked in my letter; that is, why was the first alternative not being made known to non-residential ratepayers.

Councils letter of reply did not answer his questions. He gave me a copy (attached) and told me that.

His answer also to me yesterday was that Council had told him that should their revenue stream be reduced by the alternative being taken up by non-residential ratepayers, then they could expect greater increases to be devised by Council. I kid you not Gerard, this fellow has been effectively cowed by Council. He specifically told me that he seriously takes them at their word and has not acted further because he believes there would be new and greater burdens and placed on the business community by Council. This threat would no doubt have come in a verbal, non witnessed follow up to Councils evasive reply to the Chamber's letter as it was with me. In an actual report of Mr Roaches on the use of "nominal sizing" for water meters going back a while, he advises Council that residential rates could be effected. (attached) The position that using the similar alternative we are now discussing would only cause other rate raising measures for non-residential ratepayers by Council could amount to deception.

I find the above quite disturbing as it amounts to something quite sinister or worse. I would like for you to reiterate to me where this Council would stand should they be made to make public the alternative calculation of the Sewer Access Charge and businesses then using that approved method.

I did discuss this on the phone with you at one time but I would like you to write to me so I can get the Chamber back on board and to perhaps be with you when when the issue is discussed with Council.

To my mind the alternative (and first mentioned option in Councils report, attached) manner of treating the Sewer Access Charge is simply that and it should have been given equal publicity right from the start. The manner in which the Charge is applied by virtue of the ~~first~~<sup>second</sup> alternative has been enabled is because the first has been deftly hidden by BRC since July 2004 which would not have happened if integrity had been applied. It could have been brought up and to the attention of the business community at any time during my ~~in my~~ years of arguing the case for "nominal sizing" as advocated by Minister Sartor.

Do you intend to let the Minister know of your mooted talk to Council on the treatment of this issue?

Personally I now think Minister David Campbell was on the mark when he and his advisers said to us to have the Council charged with "mal-administration", though I thought that he could have fixed the issue at the time.

I hope you can help me keep this matter on the rails with the Bathurst Business Chamber by writing to assure us that Council can only act within the law in regard to rates.

I look forward to you helping to bring the issue to a conclusion with Council.

Regards



Ray Carter  
0407258882

Attached

- Copy of your letter 10 July 2008
- Council report 21/07/2004 outlining the two methods of determining sewer load (highlighted).
- Councils reply to the Bathurst Business Chamber.
- Councils report 04/05/2005

*p.s. I have been told that when the Bathurst Business Chamber meets with BRC there are always two of them from the Chamber so perhaps there could have been a witness to Councils contention*



24 July 08.  
fax 63322576

Dear Keith,

Thank you for your time this morning.

The issue is that the first option to ascertain the Sewer Access Charge is by the non-res ratepayer having the (ET) Equivalent Tenements for the property assessed by an "expert".

The crux of the matter is ETs are not SDFs.

ETs are for the ratepayer to carry out.

SDF are entirely separate and carried out by Council.

I contend that if you as mayor ~~was~~ or administrator were not aware of the first option for Commercial ratepayers was for the assessment of the sewer load in ETs then you should have been.

all the best

Ray Carter

0407258882.

3 Toronto St  
Kelso  
11/09/2008

Mr Peter Sargent  
President  
Committee Members  
Bathurst Business Chamber

Dear Sirs / Mmes

Please note that in the report (attached) to the Council meeting , 21/07/04 the highlighted paragraph states :

“Where a large connection size is required for fire fighting purposes a reasonable approach would be to apply a charge based on the connection size required for water supply and allow nil or moderate increase over this charge for the provision of fire fighting capacity.”

Bathurst Council has chosen to disregard this recommendation from DEUS entirely and uses the **full size** of the water meter on which the charge is applied. If what DEUS has advised is the “reasonable approach” it stands to reason that for BRC to use the full size of the water meter is **unreasonable** unless ET s were used which arrive a proper and probably similar level of fairness. (This is what needs publicised)

The whole idea of User Pays is to save our resources including water. BRC's method of applying the charge is inconsistent with that purpose and its implementation method is contrary to the DEUS Guidelines. I am sure the State Government and DEUS are aware of this. Certainly Gerard Martin is. The Sewer Access Charge as it stands is not a user charge but a charge on infrastructure and ignores entirely the purpose of the charge to conserve water. It does in fact amount to gouging from the Bathurst business community and I hope the Chamber recognizes that. Orange Council started the new system with a charge similar to Bathurst's charge. However on seeing the amount of revenue coming from that overcharge they moderated their charge and now the charge on water meter sizes is not much more than a third that of Bathursts.

Regards



Ray Carter  
m 0407258882 fax 0263322576

Copy to Mr Lachlan Sullivan (who at the invitation of BBC President Mr Peter Sargent , attended the recent meeting we had with Mr Gerard Martin on this matter.)

# Carters

Carter Bros Engineering Pty Ltd

212

ACN 002 244 411  
3 Toronto St  
Bathurst NSW 2795  
**Phone 02 6331 6811**  
Facsimile 02 6332 2576  
Email ray@carterbros.com

15/12/08  
Mr David Shirley  
General Manager  
Bathurst Regional Council

Dear David

At 9-30pm on 25/11/08 I faxed you requesting information in regard to Section 94 contributions for both the Raglan and Jordan Creeks. As yet that information has not been forthcoming, which is quite disturbing. On that same day I had already phoned Mr Rick Foster for this information which he said he would fax. The fax that came to me latter that day took the trouble to explain how to obtain the information in a formal manner, which most likely took longer to compose than simply sending me the figures.

In any case the figures that I asked for ; in accordance with NSW law should be contained within the Management Plans for the subject works (ie a proper public document). The Management plans are indeed able to be viewed on Council's website but do not contain the pertinent information as required, so indeed I should not have to correspond with you in the first place. Your disregard of the law begs clarification , as you hide information when and where it suits you to your own ends.

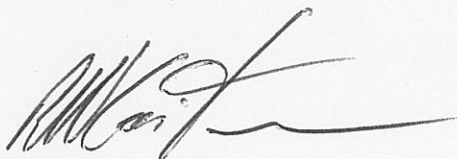
I brings to mind the Financial Officers Report to the Council on 21/07/2004 , which , brought to light when leaked to me after three and a half years of letter writing, clarrifies and justifies the stand I have taken on bringing fairness to the Sewer Charge to non residential ratepayers. You have had the hide to call **this** internal report a "public document" to myself and to the Bathurst Business Chamber in order to justify the manner available to you then in the second option to implement a gross overcharge. Talk about a contortion!

Of the same calibre is your statement to both me and the Chamber President that you would find another way to put up the rates of non residential ratepayers if they indeed used the first option contained in this report. You indeed have another report which states that the **residential** rate would have to rise if the first option were taken up by non residential ratepayers.

Now you make me beg for information that should lawfully be contained in the Management Plans.

Your administration is , sadly , lacking in transparency.  
Please send the information requested.

Yours faithfully



Ray Carter  
Director  
Mobile Phone 0407 258882

# Carter's

Carter Bros Engineering Pty Ltd

213

ACN 002 244 411  
3 Toronto St  
Bathurst NSW 2795  
**Phone 02 6331 6811**  
Facsimile 02 6332 2576  
Email ray@carterbros.com

02/02/09

Mayor Paul Toole  
Bathurst Regional Council

Dear Paul

re the Sewer Access Charge

I attach a copy (attachment A) of the report done by Mr John Humphreys for the Bathurst Chamber of Commerce, dated 15 February 2005. It was Mr Frank Sartor, Minister, who suggested to me that this report be carried out. Mr Humphreys presented this report, I believe four times to Councillors.

You will have noted that it is obvious Mr Humphreys was totally unaware of the first alternative that is available involving the use of ET's (attachment B). Obviously it was not known to himself or any non residential ratepayer at the time, otherwise his report would have been totally different in scope. The fact is that Council at the time heard and received this report and **still** did not see fit to reveal the fact that there is an alternative available by way of determining the load in Equivalent Tenements.

Equally disappointing is that Mr Humphreys laboured in doing this report and presented it faithfully while in receipt of admonition from Council, noted at the time by him as "you mentioned your disappointment at my doing such a report after doing work for Council re meter assessments"

**Q1** Why did Council not see fit to advise that the use of ET's were available at the time of the presentations of Mr Humphreys report let alone at the introduction of the Sewer Access Charge?

I sent you by email, a copy of the manner in which Shoalhaven Council administers the Sewer Access Charge (attachment C). It is evident that this Council administers this charge in a fair and open manner which I sincerely hope BRC might emulate. The reasonable approach used in Shoalhaven is already acknowledged in Attachment B, Bathurst Council's own document!

**Q2** Would Council consider implementing Sewer Access Charging in the fair manner that the Shoalhaven Council has done including the reasonable approach mentioned in Council's Report 21/07/04?

In Council's Report 21/07/2004 Page 14 cl (e), (attachment D) Council attempts to justify the non use of the nominal sizing of water meters "due to the practise of using hose reels" I attach (attachment E) for your edification, being photos of the numerous ways in which a hose reel can be used. I defy you to sensibly justify the non use of nominal sizing of water meters where calculating the Sewer Access Charge for any of these use reasons. None of these uses demonstrate a sensibly thought out justification for claiming that use of a fire hose will, by inference, increase the load put upon the sewer system, upon which Council bases the Sewer Access Charge.

**Q3** How does Council justify its contention that the "using of hose reels" allows Council to not use nominal sizing?

**Q4** Would Council allow fire hose reels to be sealed such they would not be used for any purpose other than fire fighting as implemented by other Councils, thereby removing that portion of the meter size from the Access Charge?

Bathurst Business Chambers estimate BRC unfairly gathers some \$400-600,000 from Bathurst non residential business ratepayers in the name of Fair User Pays.

I remind you that Council has in its Charter, enshrined "fairness" in the gathering of rates and charges. I remind you also that Council's GM has said to both myself and the Chamber President words to the effect that Council would find other ways to increase non commercial rates should ET's be used. This is serious misinformation when the opposite has been reported. Indeed I for one found this somewhat intimidating and it was certainly taken as heavily self serving of Council.

Councils report (attachment F) cl (d) , simultaneously states that the use of a "nominal access" charge would lead to "an increase in residential charges". Council made available the use of ET's from the time of implementation of the Sewer Charge but simply kept it quiet. The cross subsidy is at present by "non residential" of the "residential" which is very evident in the 300 to 400% increase that has been implemented to non residential sewer charges.

Even more evidence of non compliance is the total non bearing that the charge has in regard to the load put on the sewer system which is the crux of "fair user pays". On top of this is total disparity in sewer use between residential and non residential enabled for Council to implement because Council has made it an onerous task to do so by having to have an expert brought in and paid to calculate the load in ET's. The onerous nature of this requirement would certainly not stand up to scrutiny in a fairness test as the average cost per property would exceed the Charge saving for a given year, a fact probably not lost on Council.

It is obvious that Council calculated that the availability of this first alternative was never to be advertised, as certainly as it never was. No doubt however Council acknowledges this internally and has allowed for the revenue raised by this means as a bonus. I believe instead that it is an illegal impost on Bathurst businesses.

There have been a lot of mixed messages involving the Sewer Charge; many with political implication, which should have no place in any Council administration, however:-

**Q5** Would Council consider using a "nominal size" for water meters in regard to Sewer Access Charging?

Please note that the implementation of the nominal size has been acknowledged as fair in many circles of Government. It would be much better to implement nominal sizing than for each business to have to go through the costly exercise of having an expert ascertain the load put on the sewer system. I can assure you that the results by both methods arrive at the same figures but the latter is an unfair impost.

I implore you to consider my contentions seriously and look forward to your reply hoping the matter will be resolved fairly.

Yours faithfully



Ray Carter  
Director  
Mobile Phone 0407 258882

# JOHN HUMPHREYS and ASSOCIATES PTY. LTD.

Consulting Mechanical and Electrical Engineers  
and Project Managers

(INCORPORATED IN N.S.W.)

1A BOULEVARDE,  
W. 2795

A.B.N. 36 002 931 295  
A.C.N. 002 931 295

TELEPHONE: (02) 6331 5717  
FAX: (02) 6332 2107

A 215  
P 1 of 9

15 February, 2005

## REPORT ON IMPLEMENTATION OF "BEST-PRACTICE" SEWERAGE RATING IN BATHURST, FOR THE BATHURST CHAMBER OF COMMERCE

In July, 2004, Bathurst Regional Council changed the basis of their Sewer Rating System from a Land Value basis to a "User Pays" basis. This was in response to the issuing of the "Best-Practice Management of Water Supply and Sewerage" guidelines (May, 2004) by the New South Wales Government Department of Energy, Utilities and Sustainability and the "Water Supply, Sewerage and Trade Waste Pricing Guidelines" (December, 2002) by the Department of Land and Water Conservation.

These Best-Practice guidelines formed part of a list of State Government requirements, which must be complied with in order that Local Government be able to source funding from the State Government, and be able to pay a dividend from the profits generated by their Local Water Utility.

This change in the Sewer Rating System to a "User Pays" basis follows the change to "User pays" water rating some years ago, where the charges now relate to the meter size and usage.

The community generally acknowledges the need for conservation of natural resources, and as such the implementation of the "Best-Practice" guidelines for Water and Sewerage Management is a step toward ensuing water availability for future generations of Australians.

### EXPLANATION OF NEW SEWERAGE RATE CHARGES

The new rating scheme involves a two part charge, based broadly on the size of the meter serving the property, and the water usage registered by the meter. Via the use of a Sewerage Discharge Factor, and a cost per kilolitre of water usage as registered on the meter, the charges for each property are calculated using the following formula, the total charge being the sum of the availability and usage charges.

1. **Availability Charge:**  
(Charged based on water meter size) X (Sewerage Discharge Factor).



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**2. Usage Charge:**

(Water usage) X (Sewerage Discharge Factor) X (cost/kilolitre as measured at meter).

where the "Sewerage Discharge Factor" is defined as the proportion of the water, as measured at the meter, that actually enters the sewerage system.

See Appendix A for the scale of charges based on water meter size.

**SEWERAGE DISCHARGE FACTOR DISCUSSION**

The Sewerage Discharge Factor, the usage cost per kilolitre and the charge relating to the meter size, are the three components of the sewerage charge which are open to adjustment by the Local Water Utility. As the meter charge and the usage charge are both multiplied by the SDF to get the total sewerage charge, the SDF has probably the greatest influence on the total sewerage rate charged.

The allocation of an SDF of the order of 0.95% to a residential property is unrealistic, with the Pricing Guidelines suggesting a typical value of 0.6 for a residential situation. (P28 note 21 of the Pricing Guidelines). An SDF of 0.6 would seem to be appropriate having regard for the volume of water that the average home owner puts onto his lawns and gardens over a period of 12 months.

The arbitrary allocation of an SDF of 0.95% to most non residential premises is totally contrary to any logic, except for small commercial premises where the only water usage goes to sewerage.

In a small to medium commercial/industrial undertaking, points of connection to sewerage are confined to toilet/change rooms and lunch room areas only, which for economy of construction are generally grouped together and take up approximately 5% of the total floor area, generally located in a corner at the front of the building adjacent to the Council sewer main. The existing Council approach does not reflect this understanding.

There is no basis for saying that the discharges generally from fire hose reels, and hose cocks (which are distributed throughout the building to meet BCA and code coverage requirements) can enter sewerage, because the hoses are physically too short to do so when a building is typically of the order of seventy metres long. The discharge from hose reels and hose cocks when occasionally used for cleaning down, generally finds its way to an adjacent grass/garden area, or to a grated drain or similar collection point where it enters the stormwater system.

In fact, if the discharge from washing down industrial floors/vehicles etc. was to go directly into sewerage, as contended by Bathurst Regional Council, it would have to be considered as an illegal discharge to sewerage, given its inevitable oil and solids content. This type of occurrence, if done on a regular basis, would be detected by Council and would result in the owner being forced to install a trade waste system, having its own associated system of charges.

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Given the foregoing, Council should concede that the only water going to sewerage comes from the toilets and other domestic wet areas of which Council would be aware from their records. On this basis, a "nominal" water meter size should be applied in the sewer rating system, the size of which is adequate to supply the domestic requirements only of the property.

The final note in the Pricing Guidelines relating to Sewerage Discharge Factors, (Note 1, page 93), reads "The LWU should modify SDF values as necessary on the basis of measured characteristics of the wastes in its area".

### **IMPACT OF NEW SEWERAGE RATES ON BATHURST PROPERTY OWNERS**

The financial impact on Commercial, Industrial and Educational property owners varies enormously, depending on how their incoming water supplies have been designed and installed. Some properties with small water meters sustained very little movement in their sewerage charges, while properties with large meters required for hydrant and hose reel services, as well a domestic requirements, sustained sewerage rate increases reportedly of up to 1200%. These projected increases were advised to all non-residential land owners in correspondence from Bathurst Regional Council, dated June, 2004. Many property owners wrote to Council objecting to the projected sewer rate increases, in which case Council offered to review both their water meter size and SDF.

The annual combined availability and usage charge for Domestic Sewerage within the City of Bathurst in the rates notices issued 30/7/04 was \$350.50 per block (Orange City Council combined sewerage rate component at 30/7/04 was \$273.00). This payment entitles the ratable domestic property owner to be connected to sewerage and to use of the order of 260 kilolitres/annum of which, using the domestic SDF of 0.95, would see 247 kilolitres/annum going into sewerage, and the remainder used for lawn/garden watering etc.

In Bathurst, every non residential property owner with a water meter larger than 32 diameter, with the current SDF's, is financially grossly disadvantaged by this new "user pays" sewer rating system, with its access charge based on the installed meter size with a base charge of \$307.00 for a 20 diameter, plus a usage charge based on \$0.78 per kilolitre. This compares with charges by our neighbouring Council, Orange City Council, where the base access charge is \$97.09 for a 20 diameter meter, plus the usage charge based on \$1.28 per kilolitre at the meter with much lower SDF's in place. (See Appendix A for a table of charges by various Water Utilities.) We understand that the Orange Council instructed its officers to adhere to the Best-Practice Management guidelines when formulating their "user pays" sewer charges. In Bathurst, we have examples of non residential properties where the anticipated sewer rate increase over the 2003/2004 charge, was 1100%, where in Orange, the "user pays" sewerage rate for 04/05 has remained steady, or is marginally lower in some cases where actual usage was low. (See Appendix A for a table of rates charges in different areas.)

The phrase “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” (P6 Best-Practice Management Guidelines) has been entirely ignored by Bathurst Regional Council, in relation to non-residential properties. One of the most extreme examples of Council’s inequitable application of sewer charges is an industrial storage property which uses 2 kilolitres/quarter (actual figures for the first two periods of 04/05 for A/N 2662-34000-5). The access sewerage charge for this property (8 kilolitres/annum going to sewerage) was \$1,167.55 with usage charges still to come, compared with a domestic charge of \$350.50 where some 250 kilolitres/annum goes to sewerage.

Clearly the foregoing example of a 40 diameter meter and a 2 kilolitre/quarter usage (periods 01 & 02, 2004) is an extreme case, where usage to sewer is low due to the premises being accessed for short periods of time by drivers to deliver/pick up palletised stock on a 24/7 basis. As the lawn sprinkler system at this property was not required during what was a wet spring and early summer, it was turned off for this period, clearly establishing the quantity of water going to sewerage each quarter. In dry times, water usage at this property has been up to 400 kilolitres per quarter, (period 04, 2004) 398 kilolitres of which would have been used by the lawn sprinkler system, which gives a calculated SDF of 0.005, a far cry from the 0.95 S.D.F. originally applied to this property by the Bathurst Regional Council.

Council should also realise that to find the funds to pay huge increases in rates, requires property owners running a business, in order to break even, to generate a extra \$6.66 of turnover to pay for every \$1.00 required for rate increases, based on a 15% profit margin or turnover. Given current times, this may prove very difficult for many education and manufacturing organisations.

### **NOMINAL METER SIZING**

A large number of Commercial and Industrial properties in Bathurst have meters which are sized over and above that required to meet domestic requirements, for the purpose of providing adequate flows and pressures for fire hose reel and hydrant systems. The new availability charges for water and sewerage are based on the meter size, which in many instances does not reflect the non emergency water usage (all times when not fighting a fire) or the sewerage capacity requirement of the property.

A more reasonable approach would be to adopt a “nominal” meter size for water and sewerage rating purposes. The “nominal” meter size would be the meter size required to provide an adequate water supply to toilet, shower and lunch areas, being the only areas responsible for a load on the sewer system. Alternatively, an appropriate reduction in the SDF could be put in place (as per Orange Council) to reflect the actual potential load on the sewerage system.

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## CONCLUSION

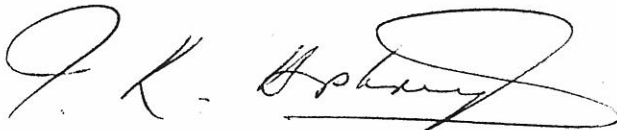
The introduction of this new sewerage rating system has been detailed out and implemented at a time when there were no community elected Councillors in office with whom to discuss these issues prior to implementation.

Further questions coming out of this investigation are:

1. Why did Bathurst Regional Council adopt the financial model that they did in preference to a model which would have been revenue neutral for the non residential sector?
2. Why is it that under the current model, domestic sewerage charges did not increase for 2004/2005, when the sewerage charges for non-residential properties will have increased by many hundreds of percent after the usage charges are taken into account?

We have received encouragement in this issue from the Minister for Energy and Utilities, Mr. Frank Sator, copies of letters from the Minister are attached in Appendices B and C. The Minister states in his last paragraph (Appendix C) that he is "keen to see that all customers are treated fairly, and that Businesses in Bathurst are not faced with unwarranted access charges".

In the interests of the continued Industrial and Commercial growth of Bathurst, and the preservation of the green and leafy appearance of the city, these sewerage charges along with the Trade Waste charges must be revisited, to put our city on a similar rates cost basis to other centres where the new charges have been introduced along the intended guidelines. Possibly, the upcoming Council Election is an opportunity to generate support to have Council look at a revised basis for their sewerage rate system, in terms of fairness of the system across all sections of the community, as recommended in the Pricing Guidelines.



J.K.HUMPHREYS. B.E. M.I.E.A. C.P.ENG.



NEW SOUTH WALES

# APPENDIX 'B'

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MINISTER FOR ENERGY AND UTILITIES  
MINISTER FOR SCIENCE AND MEDICAL RESEARCH  
MINISTER ASSISTING THE MINISTER FOR HEALTH (CANCER)  
MINISTER ASSISTING THE PREMIER ON THE ARTS

MSO Ref: 09208 09538  
DEUS Ref: 04/1832 04/2123

Mr Ray Carter  
Director  
Carter Bros Engineering Pty Ltd  
3 Toronto Street  
BATHURST NSW 2795

24 DEC 2004

Dear Mr Carter

I refer to your letters of 8 October 2004 and 25 August 2004 regarding the introduction of best-practice sewerage pricing by Bathurst Regional Council. The Member for Bathurst, Mr Gerard Martin MP has also made representations to me on your behalf regarding this matter. I apologise for the delay in responding to you.

Bathurst Regional Council's recent introduction of best-practice sewerage pricing will ensure that the sewerage system operates efficiently. Under such a tariff, customers with significant sewer discharges will pay a fair share of the costs imposed on the system. An important aspect of a fair sewerage tariff is an annual access charge which reflects the peak load that can be placed on the sewerage infrastructure.

I recognise your concerns regarding the sewer access charge. However, Bathurst Regional Council has assured me that customer concerns will be fairly addressed on a case by case basis. Council has also recently increased its resources to assist customers with their queries by appointing a hydraulic engineer. I therefore encourage you to continue working with Council to satisfactorily resolve this issue.

As outlined in the NSW Government's Best-Practice Management of Water Supply and Sewerage Guidelines, the sewer access charge should reflect a customer's capacity requirements and the load they place on the sewerage system relative to residential customers.

In her letter to you of 20 September 2004, Ms Kath Knowles, Administrator, Bathurst Regional Council states "Council will reconsider the implementation of nominal sizing of water meters if it is given enough supporting evidence to establish that there is a more equitable manner of applying charges".

..12

# APPENDIX 'A'

FEBRUARY 2005

## LOCAL WATER UTILITY WATER/SEWERAGE CHARGE COMPARISON TABLE (NON DOMESTIC PROPERTIES)

LOCAL WATER UTILITY	20# METER 50# METER 100# METER	WATER AVAILABILITY CHARGE	COST PER KL WATER SUPPLIED AS MEASURED AT METER	DOMESTIC SDF APPLIED INITIALLY	NON DOMESTIC SDF APPLIED INITIALLY	NON DOMESTIC SEWERAGE AVAILABILITY CHARGE (SDF APPLICABLE)	SEWERAGE COST PER KL WATER SUPPLIED AS MEASURED AT METER (SDF APPLICABLE)	COMMENT
BATHURST REGIONAL COUNCIL	\$250	\$1563	\$0.50/KL (FIRST 300 KL) \$0.60/KL THEREAFTER	0.95	0.95	\$307	\$7882	
ORANGE CITY COUNCIL	\$280	\$1750	\$0.55/KL	\$273 FLAT CHARGE BASED ON 237 KL/0.68 SDF	0.95 DOWNWARDS BASED ON DEMONSTRATED WATER USAGE	\$97.09	\$2427.25	COUNCIL REDUCES ALLOCATED SDF BY 0.1 IF METER O'SIZED FOR FIRE SERVICES
DUBBO CITY COUNCIL	\$210	\$1312	\$0.52/KL		NO USER PAYS SEWERAGE IN PLACE AT THIS STAGE - TO BE INTRODUCED 2005/06			
LITHGOW CITY COUNCIL	\$410	\$410	\$0.51/KL (FIRST 500 KL) \$1.32/KL 500/2000 \$1.50/KL 2000/5000 \$2.02/KL THEREAFTER		NO USER PAYS SEWERAGE IN PLACE AT THIS STAGE - TO BE INTRODUCED 2005/06			
HUNTER WATER	\$25	\$159	\$1.01/KL (FIRST 1000 KL) \$0.93/KL THEREAFTER	0.5	0.95 DOWNWARDS BASED ON DEMONSTRATED WATER USAGE	\$479	\$11967	
SYDNEY WATER	\$78	\$485	\$1.013/KL	?	?	\$86	\$2167	
ALBURY CITY COUNCIL	\$76	\$473	\$0.44/KL (FIRST 275 KL) \$0.88/KL 276/19999	0.49	0.95 DOWNWARDS BASED ON DEMONSTRATED WATER USAGE	\$192	\$4800	

NOTES: 1. THE ABOVE FIGURES HAVE BEEN ADJUSTED TO THE BASIS RECOMMENDED IN THE 'BEST PRACTICE GUIDELINES' WHERE LOCAL WATER UTILITIES DO NOT SHOW SDF FIGURES IN THEIR RATE NOTICE CALCULATIONS

2. THE ABOVE FIGURES HAVE BEEN OBTAINED FROM THE LOCAL WATER UTILITIES, AND WE BELIEVE THEM TO BE ACCURATE TO THE BEST OF OUR KNOWLEDGE.

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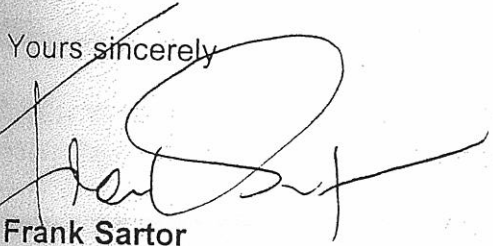
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Accordingly, if you believe that the access charge ascribed to you by Council does not reflect your load on the sewerage system, you may wish to commission an independent hydraulic report and present it to Council. Such a report would analyse the historical and likely future water consumption and sewer discharge patterns of your premises and the likely peak discharge requirements.

Best-practice sewerage pricing is sometimes a difficult adjustment to make for local water utilities and some of their customers. Bathurst Regional Council has taken a responsible approach in moving to such a tariff.

Thank you for bringing this matter to my attention.

Yours sincerely



Frank Sartor



NEW SOUTH WALES

# APPENDIX

9 of 9  
'C'

MINISTER FOR ENERGY AND UTILITIES  
MINISTER FOR SCIENCE AND MEDICAL RESEARCH  
MINISTER ASSISTING THE MINISTER FOR HEALTH (CANCER)  
MINISTER ASSISTING THE PREMIER ON THE ARTS

MSO Ref: 09605  
DEUS Ref: 04/2100

Mr Lachlan Sullivan  
President  
Bathurst Chamber of Commerce  
PO Box 293  
BATHURST NSW 2795

24 DEC 2004

Dear Mr Sullivan

I refer to your letter of 5 October 2004 regarding the introduction of best-practice sewerage pricing by Bathurst Regional Council.

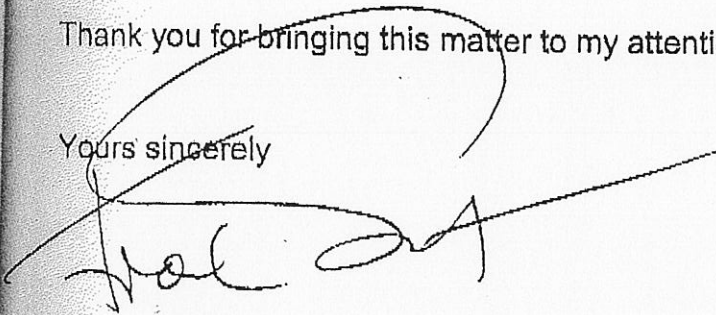
As outlined in the Best-Practice Management of Water Supply and Sewerage Guidelines, the sewer access charge should reflect the customer's capacity requirements.

As you point out, the present charges for some customers such as those with large connections sized for fire flows, may be higher than warranted by their load on the sewerage system. Such customers may wish to submit evidence to Council that supports an alternative approach to determining sewer access charges. This may involve presenting an independent hydraulic report which analyses the customer's historical and likely future water consumption and sewer discharge patterns and the likely peak discharge requirements. Council has assured me that it will assess such evidence provided by its customers on a case by case basis.

I am keen to see that all customers are treated fairly and that businesses in Bathurst are not faced with unwarranted access charges. I will therefore continue to monitor the implementation of the new sewerage charges in Bathurst.

Thank you for bringing this matter to my attention.

Yours sincerely



Frank Sartor