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SUBMISSION  
Draft Price and Service Plan June 2024

Thank you for the opportunity to make comments on the proposals put forward by Taswater . I would hope that the Regulator will consider these proposals focused on what is best for the customers rather than accepting the Taswater views . It is apparent that TW is making no effort to solve the many problems that the Regulator is now aware of from other submissions in the present pricing review , and these changes are designed to reduce the role of the Regulator , to lock in the present structure for a longer period , and to reduce public scrutiny of their policies .

[ a ] Extending PSPs from 4 to 5 years ;

This would have the effect of locking in faulty policy for a longer period , will reduce the role of the Regulator , and remove policy from public scrutiny . Note that the extension from 3 years to 4 years was made due to Covid delays , with no mention of other reasons . This policy has been suggested to delay proper changes that are needed.

The notion of locking in pricing for 5 years is precisely the wrong policy for any prudent business - would you imagine that the dairy industry would be happy if the factories tried to lock in prices for 5 years ? . It would be much more appropriate to return to 3 year PSPs .as any business should retain the option of reacting quickly as situations change .

[ b ] Whole of systems outcomes ;

The provision of water and sewerage services are separate and the costing of each is a relatively easy process . The Regulator would be aware that due to geography and the need to buy water from desalination plants the cost of water supply in Melbourne is double that in Tasmania , whilst the sewerage treatment charge in Tas. double that in Melbourne . The oft repeated claim by TW that the combined water and sewerage charges at the 200kl level are comparable have been designed to deceive , and this proposal is designed to cloud the issues .

It is far more sensible to keep the two calculations separate , as other service providers do, as it provides clarity and would be cheaper in practice as it is less complex .

[ c ] Regulation of Cat 3 and 4 ;

This should be rejected – TW has shown that they cannot properly regulate Cat 1 &2 , as is shown by the controversy and complaints in the price review , and it beggars belief that they would think that they could in Cat 3&4 . The present system where Cat 3 &4 customers treat their own waste on site at their own expense down to a level that is acceptable to TW for their system is fair and it means each customer faces costs that are relevant to their own waste and treatment costs .

Note that TW mentions a charge for landfill leachate , but this is a stormwater issue and is the responsibility of Councils and the EPA and has nothing to do with Taswater .

Please note that an annual price reset and the administrative costs involved would not be necessary if the PSP term were returned to 3 years .

Debt re-calculation ; Priority should be given that loans that are for specific infrastructure projects are taken out with time frames that are appropriate to the projects . For example , with the present housing crisis the present situation is that 1,000 proposed homes in the Hadspen area have been , and continue to be , held up because TW cannot guarantee access to sewerage services . If the local Council still had control of sewerage services they would simply borrow the money on , say , a 40 year time frame and get on with the job . The houses that are so badly needed could be built quickly and be generating income for Taswater and for Council by way of rates , and also ease the housing crisis .

The ten year loan restriction , even if it is a rolling 10 year plan , is what is causing so much unnecessary delay in providing services .

Relative information ;

Under the legislation sewerage charges must reflect TW costs of providing those services to customers – this must surely mean that the volume charged must be as accurate as possible , i.e. the metered volume method .

Jacobs Report 2019 Quote ‘ the consumer groups office and caravan parks are the advance guard of customers who do not want to be charged high fixed charges that are not related to their actual discharge or service levels ‘ .

Due to the methods employed by both Taswater and the Regulator there were only 7 submissions made to the Regulator’s Inquiry into price determination , but available are the Jacobs Report submissions where the overwhelming majority of 2,600 were critical of the present system , and the current efforts of Taswater in gathering feedback have already gathered 3,300 replies - but these will not be considered for implementation before the year 2031 if these proposals are accepted during the next PSP period .

For Tasmania’s sake the pricing issues presently under consideration must be dealt with before any of these proposed changes cause further delay and confusion , particularly as they diminish the role of the Regulator and further delay public input.

M.J.Eastley.

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