Developer Charges Policy

Purpose

The aim of this policy is to specify the application of developer charges in the case of a new development and/or use that requires a new or larger water or sewer connection.

Policy

Developer charges to TasWater consist of two components:

- Headworks Charge: A cash contribution for a development's consumption of excess capacity in bulk water and sewer infrastructure, or their future expansion, which results from a property development/use. These charges are levied on a per lot basis in a new subdivision development or based on calculated additional demand on TasWater's infrastructure where it is based on a changed or intensified development/use.
- Infrastructure creation at the Developer's cost, which is split into two categories:
    - Works internal: Infrastructure that is created within a development site that is installed by the developer at the developers cost and gifted to TasWater.
    - Works external: Infrastructure that is created external to a development site, required to service the development and is installed at a developer's cost and gifted to TasWater unless otherwise stated in the Works Internal and Works External section below.

Headworks Charge

A Headworks Charge will be applied to all development/use that increases demands on TasWater's infrastructure. The Headworks Charges are listed in the current price and service plan.

Headworks charges will be determined using a standard connection methodology aligned with TasWater's regulated water connection size multipliers. This means once a new lot is created it will be charged for one standard connection for water and one standard connection for sewer, provided the lot is within serviced land for both water and sewerage services.

Requests for estimates or information on Headworks Charges

If a customer requests an estimate or details about Headworks Charges, TasWater will provide an estimate of the Headworks Charge applicable to a new development, providing sufficient information about the proposed development is available.

Water Headworks Charge Methodology

A single standard connection consists of a 20mm tapping and meter. For larger connection sizes, a multiplier is applied based upon the size of the connection, consistent with the regulated water connection size multiplier provided in the current price and service plan.

Sewer Headworks Charge Methodology

To determine a development's sewer headworks charge, the following steps apply:

Step 1: Determine the number and size of water connections

Step 2: For each water connection, apply a multiplier that is consistent with the regulated water connection size multiplier.

Step 3: Apply a discharge factor. The discharge factor is sewer category-specific and designed to reflect the development's expected discharge into the sewer system.

Both the multiplier and discharge factor lists are provided in the current price and service plan.

For circumstances not covered above (e.g. a sewer only serviced area), TasWater will default to determine the Headworks Charge on a standard connection.

A site's existing use is to be calculated using the same methodology and credited against the new development. For example, for three current lots subdivided into five the net payable developer charge is two lots. A credit will not be applied for land outside of a serviced area or where the owner(s) are not receiving an account for a service.

Works Internal and Works External

TasWater refer to two types of water and/or sewerage infrastructure creation:

- Works internal
- Works external

This approach is summarised in the Table 1 below.

Table 1: Works internal and work external approach

	Sufficient system capacity	Insufficient system capacity
Works internal	Developer pays all costs	Developer pays all costs
Works external – extension	Developer pays costs of extension required for the development*	Developer pays costs of extension required for the development*
Works external – expansion	Developer pays a Headworks Charge per standard connection	Developer pays a Headworks Charge per standard connection plus the costs of any upgrades to assets not

	Sufficient system capacity	Insufficient system capacity
		covered by the Headworks Charge and required to be paid by the Developer and not TasWater**

** Any development connecting to an existing system will, as a minimum, pay for the cost of connecting to the mains of the existing system, in addition to the Headworks Charge*

*** TasWater will refer to the system's Master Plan regarding capacity upgrades or other works planned. TasWater will discuss these plans with the developer.*

Generally, reticulation assets are not covered by Headworks Charges, as they are usually only renewed by TasWater, with these assets not forming any part of the methodology used to calculate the Headworks Charge. Expansion of reticulated asset types are usually only required by one specific development, with all costs borne by that developer as Works External - Expansion.

There are essentially two situations relating to insufficient system capacity for reticulated assets, which will be treated as follows:

1) Where the development takes the system over capacity, Works External (Expansion) to service the development is to be funded solely by the developer.

2) Where the system is already over capacity, TasWater and the developer will share costs on a pro-rata basis. The pro-rata will be determined by using the proportion of 20mm standard water connections required by each party. TasWater will fund its share of the Expansion works required to make the system compliant in accordance with the requirements of the Water Services Association of Australia Codes and TasWater's Master Plans and Network Asset Management Plans.

Definitions

Term	Definition
Bulk Sewer Infrastructure	**Sewage Treatment Plants** – Facilities for treating sewage using a range of treatment processes. **Gravity trunk mains** – the principal sewers of a catchment system that drain to the point of treatment; a network of pipes nominally DN375 to DN600 that connects reticulation sewers. **Sewage pump stations (to sewer rising main or trunk sewer)** – sewage pumping stations that connect directly to Sewage Treatment Plants or have an ultimate design Average Dry Weather Flows above 12 l/s (see the current version of Sewage Pumping Station Environmental Guidelines by the Environment Protection Authority).
Bulk Water Infrastructure	**Raw water mains** – pipes that transport untreated water, typically from the water source /catchment to the treatment site.

Term	Definition
	Water treatment plant – plants treating raw water to potable standards. **Bulk transfer mains** – water mains that interconnects source(s), treatment works, reservoir(s) and/or supply areas, normally without direct consumer connections. **Bulk Reservoirs** – any dams or concrete (or other material) water supply tanks that supply other reservoirs. **Pump stations (bulk system)** – typically, pump stations connecting bulk mains to reservoirs. **Distribution main** – water mains serving as the principal distributor within the supply area, normally without direct consumer connections.
Discharge Factor	Is a percentage used to determine the amount of wastewater discharged into our sewerage system from a property based on its total water consumption. Discharge factors vary depending on the property type and the expected wastewater discharge volume.
Expansion	Means the augmentation of water infrastructure and/or sewerage infrastructure to accommodate the development or connection of a property that cannot be catered for by a current water system's capacity and/or current sewerage system's capacity.
Extension	Means the lengthening of water infrastructure and/or sewerage infrastructure to enable connection of a property to an existing water system and/or sewerage system.
Infrastructure Agreement	An agreement that must be entered into prior to a developer commencing works on any water and/or sewerage infrastructure. This agreement will set out the terms and conditions for any works internal and/or external to be satisfied before TasWater accepts the infrastructure.
Reticulation - Sewer	**Gravity reticulation mains** – sewers, generally DN150 to DN300, for the collection of sewage from individual properties and conveyance to trunk sewers. Where reticulation sewers serve more than one property they are classed as gravity mains to the point of separation to individual lateral lines. **Sewer service connections (customer connections)** – the points of connection between the property connection sewer and customers' sanitary drains, including pipework, inspection opening (IO), and any other fittings on the pipe at those points. **Sewage pump station and sewer rising mains** – sewage pump stations that connect to gravity reticulation mains or other sewage pump stations.
Reticulation - Water	**Reticulation Reservoirs** – any dams or concrete (or other material) water supply tanks directly supporting specific reticulated supply zones. **Pump stations (reticulation system)** – typically, small pump stations boosting discreet reticulation supply zones. **Reticulation mains** – water mains that connects a distribution main with service pipes. Reticulation mains are generally sized DN100 to DN375.

Term	Definition
	Reticulation sub-mains – water mains that connect a reticulation main with service pipes within areas where the number of consumers is small, thereby minimising deterioration of water quality. Reticulation sub-mains are generally sized DN40 to <DN100. Reticulation sub-mains can also be referred to as rods, rider mains (connecting properties on the opposite side of a road) and loop mains (connecting properties in a cul-de-sac at the end of a road). **Water service pipes (lateral lines)** – water pipes supplying water from reticulation mains to consumers. The portion of service pipes under TasWater's control generally terminates at the water meter or, for fire services, at the isolating valve of the fire protection system at the main.

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