

## II DRAFT PRICE DETERMINATION



**TASMANIAN WATER AND SEWERAGE CORPORATION  
PTY LTD**

**ACN 162 220 653**

**WATER AND SEWERAGE SERVICES PRICE DETERMINATION**

**1 JULY 2022 – 30 JUNE 2026**

# CONTENTS

1. EFFECTIVE PERIOD
2. APPLICATION
3. PURPOSE AND REASONS
4. INTERPRETATION AND DEFINITIONS
5. REQUIREMENT TO COMPLY WITH PRICE AND SERVICE PLAN
6. REQUIREMENT TO APPLY PRICES AS DETERMINED

Schedule 1 – Prices

Schedule 2 – Price Formulae

Schedule 3 – Trade Waste charges

Schedule 4 – Developer charges

Having undertaken an investigation into the Tasmanian Water and Sewerage Corporation Pty Ltd's (ACN 162 220 653) proposed prices in regard to its provision of regulated water and sewerage services in Tasmania, I make, in accordance with the *Water and Sewerage Industry Act 2008* (the Act), the following Determination under section 66 of the Act.

Dated:

Joe Dimasi

**TASMANIAN ECONOMIC REGULATOR**

## 1 Effective period

This Determination takes effect on 1 July 2022 and ceases to have effect after 30 June 2026.

## 2 Application

This Determination applies to the Tasmanian Water and Sewerage Corporation Pty Ltd (ACN 162 220 653) trading as TasWater (hereinafter referred to as 'TasWater') in respect of the regulated services provided by TasWater within Tasmania during the period of this Determination.

In accordance with subsection 67(7) of the *Water and Sewerage Industry Act 2008*, this Determination is binding on TasWater.

## 3 Purpose and Reasons

This Determination:

- a) specifies maximum prices, fees and charges which TasWater may charge for regulated services during the regulatory period or the manner in which such prices are to be calculated or otherwise determined; and
- b) reflects the achievement of the Regulator's obligations, and respective price determination requirements, under the *Water and Sewerage Industry Act 2008* and *Water and Sewerage Industry (Pricing and Related Matters) Regulations 2021*.

## 4 Interpretation and Definitions

- a) Interpretation
  - (i) Unless the contrary intention appears an expression not defined in this Determination has the same meaning as it has in the *Water and Sewerage Industry Act 2008*, the *Water and Sewerage Industry (Pricing and Related Matters) Regulations 2021*, or in the Tasmanian Water and Sewerage Industry Customer Service Code.
  - (ii) Any issues arising from the interpretation of this Determination will be decided by the Regulator.
- b) Expression of values

All values in this Determination are in nominal terms.

## c) Definitions

In this Determination:

Connection policy	means the policy referred to in subsection 56U(1)(a) of the <i>Water and Sewerage Industry Act 2008</i>
Customer contract	has the same meaning as in the <i>Water and Sewerage Industry Act 2008</i>
Developer charges policy	means the policy referred to in Regulation 7 of the <i>Water and Sewerage Industry (Pricing and Related Matters) Regulations 2021</i>
Equivalent Tenement (ET)	an approximation of the demand placed on the sewerage system by a property (a single residential property is treated as 1ET)
Miscellaneous fees and charges	means the fees and charges referred to in Regulation 21 of the <i>Water and Sewerage Industry (Pricing and Related Matters) Regulations 2021</i> , namely, all fees and charges that may be charged by TasWater and that are not fixed charges, variable charges, developer charges or service introduction charges
Price and Service Plan	has the same meaning as in the <i>Water and Sewerage Industry Act 2008</i>
PSP Guideline	means the guideline issued by the Regulator in April 2021 under subsection 65(7) of the <i>Water and Sewerage Industry Act 2008</i> for the preparation of a proposed Price and Service Plan
Regulatory period	the period from 1 July 2022 to 30 June 2026 inclusive
Service extension and expansion policy	means the policy referred to in subsection 56J(2)(a) of the <i>Water and Sewerage Industry Act 2008</i>
Service introduction charges policy	means the policy referred to in Regulation 8 of the <i>Water and Sewerage Industry (Pricing and Related Matters) Regulations 2021</i>
Service charges policy	means the policy referred to in section 68A(1)(a) of the <i>Water and Sewerage Industry Act 2008</i>

Sub-metering policy	means the policy referred to in clause 13.2 of the PSP Guideline
Tasmanian Water and Sewerage Industry Customer Service Code	means the customer service code issued by the Regulator under section 57(1) of the <i>Water and Sewerage Industry Act 2008</i>
TasWater	means the Tasmanian Water and Sewerage Corporation Pty Ltd (ACN 162 220 653)
Trade waste charges policy	means the policy referred to in clause 13.2 of the PSP Guideline
The 2022 Water and Sewerage Industry Price Determination Investigation Final Report	means the Final Report to be released by the Regulator in May 2022 after the completion of the Water and Sewerage Industry Price Determination Investigation in relation to TasWater's provision of regulated services
Water connection size multiplier	means the factor used to calculate the volume of water able to flow through pipes of different sizes (a 20mm connection has a multiplier of 1.00) a set out in Table 4 of this Determination

## 5 Requirement to comply with Price and Service Plan

- a) TasWater must comply with the Price and Service Plan as approved by the Regulator.
- b) The Price and Service Plan, submitted by TasWater to the Regulator for approval, must comply with the *Water and Sewerage Industry Act 2008*, the *Water and Sewerage Industry (Pricing and Related Matters) Regulations 2021* and the PSP Guideline.
- c) The Price and Service Plan, submitted by TasWater to the Regulator for approval, must be consistent with the Regulator's decisions and requirements in the 2022 Water and Sewerage Industry Price Determination Investigation Final Report.
- d) The Price and Service Plan, submitted by TasWater to the Regulator for approval, must include any customer contracts and the following prescribed policies:
  - i) Land Development Policy (incorporating Service extension and expansion policy and Developer charges policy);
  - ii) Water and Sewerage Network and Charges Policy (incorporating the Connection policy, Service introduction charges policy, Service charges policy and Sub-metering policy); and
  - iii) Trade waste charges policy.
- e) The Price and Service Plan, submitted by TasWater to the Regulator for approval, must include:
  - i) a description of the land, whether identified by individual title or by locality, TasWater will permit to be connected to its water infrastructure or sewerage infrastructure;
  - ii) all miscellaneous fees and charges; and
  - iii) prices for each service specified in the Plan for each year of the regulatory period (as required under Regulation 6 of the *Water and Sewerage Industry (Pricing and Related Matters) Regulations 2021*).



### Requirement to apply prices as determined

- a) TasWater must not charge more than the prices set out in Schedule 1 of this Determination.
- b) TasWater must not charge for trade waste more than the charges set out in Schedule 2 of this Determination.
- c) TasWater must not charge for developer charges more than the charges set out in Schedule 3 of this Determination.
- d) TasWater must not charge for miscellaneous services more than the fees and charges set out in the Price and Service Plan approved by the Regulator.

## Schedule I – Prices

Table 1 Water - Fixed charges (annual)

Connection size	2022-23	2023-24	2024-25	2025-26
20mm	365.85	377.07	388.63	400.55

These charges apply to customers with a standard 20mm connection. The charges that apply to customers with larger connections are determined by the relevant connection size multipliers set out in Table 4, applied to the charges in Table 1.

Table 2 Sewerage - Fixed charges (annual)

	2022-23	2023-24	2024-25	2025-26
Per Equivalent Tenement (ET)	702.08	723.61	745.80	768.67

Table 3 Water - Variable charges

	2022-23	2023-24	2024-25	2025-26
Drinking water quality (\$/kL)	1.13	1.17	1.20	1.24
Limited water quality (\$/kL) <sup>Note 1</sup>	0.91	0.93	0.96	0.99

Note 1: This charge is set at 80 per cent of the drinking water quality variable charge.

Table 4 Water - Connection size multipliers

Connection size (mm)	Multiplier
20	1.00
25	1.56
30	2.25
32	2.56
40	4.00
50	6.25
65	10.56
75	14.06
80	16.00
100	25.00
150	56.25
200	100.00
250	156.25

Table 5 Motor home dump points - Fixed charge (annual)

	2022-23	2023-24	2024-25	2025-26
Fixed sewerage (One ET)	702.08	723.61	745.80	768.67

Table 6 Fire service - Fixed charge (annual)

Connection size	2022-23	2023-24	2024-25	2025-26
20mm	91.46	94.27	97.16	100.14

These charges apply to customers with a standard 20mm connection. Customers with larger connections need to apply the applicable connection size multipliers set out in Table 4 to calculate their individual charge for each year of the regulatory period.

Table 7 Water - Fixed charge - Limited supply customers (annual)

Connection size	2022-23	2023-24	2024-25	2025-26
20mm	329.26	339.36	349.77	360.49

These charges apply to customers with a standard 20mm connection. The charges that apply to customers with larger connections are determined by the relevant connection size multipliers set out in Table 4, applied to the charges in Table 7

Table 8 Private Filling Stations - Fixed charge

	2022-23	2023-24	2024-25	2025-26
Fixed charge (annual)	365.85	377.07	388.63	400.55
Variable charge (\$/kL)	1.13	1.17	1.20	1.24

The fixed charge applies to customers with a standard 20 mm connection. The fixed charge for customers with larger connections for each year of the regulatory period is calculated by applying the applicable connection size multipliers set out in Table 4.

Table 9 Public Filling Stations

	2022-23	2023-24	2024-25	2025-26
Variable Charge (\$/kL)	1.75	1.82	1.88	1.94
Security deposit (one-off fee)	53.56	55.44	57.38	59.38
Account keeping fee (per account)	6.64	6.82	6.82	6.82

Table 10 Portable Metered Standpipes

	2022-23	2023-24	2024-25	2025-26
Fixed Charge (annual)	365.85	377.07	388.63	400.55
Variable Charge (\$/kL)	1.13	1.17	1.20	1.24

The fixed charge applies to customers with a standard 20mm connection. The charges that apply to customers with larger connections are determined by the relevant connection size multipliers set out in Table 4, applied to the charges in Table 11.

Table 11 Septic Tank Effluent Disposal (STED) schemes - Fixed charge (annual)

	2022-23	2023-24	2024-25	2025-26
Per Equivalent Tenement (ET)	491.46	506.53	522.06	538.07

## Schedule 2 – Trade Waste charges

Table 1 2022-23 charges by trade waste category and charge type

Trade Waste Category	Application Fee	Annual Fee	Non-Compliance Charge (Minor)	Non-Compliance Charge (Major)
0	na	na	na	na
1	157.24	607.49	607.49	na
2A	157.24	995.82	995.82	1 991.64
2B	157.24	1 397.38	1 397.38	2 794.77
2C	157.24	2 095.76	2 095.76	4 191.51

These charges are to apply in 2022-23. Each of the charges are to increase by 3.07 per cent in each of the 2023-24, 2024-25 and 2025-26 financial years.

## Schedule 3 – Developer charges

Table 1 Standard charge

	2022-23	2023-24	2024-25	2025-26
Charge per Equivalent Tenement (ET) for water and sewerage connections	....	3 213	3 213	3 213

For water-only or sewerage-only customer connections, 50 per cent of the standard charge will apply ie \$1 606.50 per ET.