

Department of Health and Human Services

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File: PPH01209

Glenn Bounds
Assistant Director (Price and Service)
Office of the Tasmanian Economic Regulator
GPO Box 770
HOBART TAS 7001

Dear Mr Bounds

Subject: Draft Report and Price Determination 2018-21

Thank you for contacting the Public Health Service (PHS) of the Department of Health and Human Services (DHHS) regarding making a submission in reference to the Office of the Tasmanian Economic Regulator's (OTTER) Draft Report and Price Determination 2018-21 (Draft Determination).

The "themes" relating to drinking water quality outlined in the priority list that DHHS provided to TasWater in March 2017 have been adequately addressed in the Draft Determination.

Section 4.12.4 of the Draft Determination provides comments and the "intentions" of the Economic Regulator, regarding the proposed service replacement process (Page 92). The Draft Determination includes the following comments:

The Director of Public Health has raised concerns with this possible approach since it is not clear when the Director of Public Health can give its approval and there is a risk that a customer could use the money for purposes other than the installation of the appropriate assets

It is the Director of the Economic Regulator that gives approval in these circumstances, not the Director of Public Health.

In addition, it may provide the Economic Regulator with increased flexibility to reword the second statement of intent in this section to:

*The Economic Regulator also intends to require TasWater to not offer the option of paying cash to customers to undertake the installation of assets for service replacement, **unless otherwise approved by the Economic Regulator.***

This amendment will provide some discretion around the option of cash payments which may in some instances be the only workable solution in some communities.

If you would like to discuss this matter in more detail, please contact Paul Hunt, State Manager Environmental Health Services, on paul.j.hunt@dhhs.tas.gov.au or 03 6166 0698.

Yours sincerely

A handwritten signature in blue ink, consisting of a stylized 'S' followed by a horizontal line extending to the right.

Dr Scott McKeown
A/Director of Public Health

9 February 2018