



Fact sheet Sub-metering

This fact sheet provides an overview of the key issues around TasWater's proposed sub-metering policy. It also explains the reasons for the Tasmanian Economic Regulator's proposed decision on this issue.

What is sub-metering?

A sub-meter is a water meter that measures individual usage of water downstream of a master meter.

Under the *Water and Sewerage Industry Act 2008* (the Act), strata title lot owners are considered customers of TasWater, even if their lot does not have a direct connection to TasWater's infrastructure but rather access water and sewerage services via pipes situated on the strata title property. As a customer of TasWater, strata title lot owners are, therefore, liable for fixed and variable charges. However, as there is only generally one meter located at the connection point to a property, sub-metering may be required to measure the volume of water used and the variable water charges applicable to each dwelling or area on a property.

Background

The Act does not address the issue of whether strata title properties are to be sub-metered. TasWater is therefore required to propose under what circumstances a strata title property can be sub-metered and, if so, who bears the costs of sub-metering.

TasWater's proposal

TasWater provided the Economic Regulator with an overview of its proposed process/approach to sub-metering from 1 July 2015. It appeared to the Economic Regulator, upon consideration, that TasWater's sub-metering policy proposal was reasonably similar to the arrangements in place for the first regulatory period (2012-15). However, the actual process to be followed by strata title owners in deciding whether or not to proceed with sub-metering was unclear. In addition, TasWater's sub-metering policy also addressed unrelated broader water metering issues

TasWater also proposed that, in instances where a developer chooses only to provide a boundary meter, the developer would be required to make provision for potential future sub-meters to be installed.

Economic Regulator's proposed decision

The Economic Regulator previously approved current sub-metering arrangements for the first regulatory period and the Economic Regulator notes that TasWater's proposals for the second regulatory period appear broadly similar.

However, the Economic Regulator intends to require TasWater to revise its draft metering policy to be a standalone sub-metering policy and clearly explain the process for strata title owners to follow in deciding whether or not to proceed with sub-metering.

The Economic Regulator also intends to require TasWater to clearly highlight and justify any differences between the proposed and current sub-metering arrangements.

The Economic Regulator does not intend to approve TasWater's proposal that a developer, where choosing to only provide a boundary meter, must make provisions for potential future sub-meters to be installed, unless TasWater can provide sufficient justification.

Next steps

If you would like more information on sub-metering, or would like to comment on TasWater's proposals, please see Chapter 6.2.4 the Economic Regulator's Water and Sewerage Price Investigation Draft Report, available at <http://www.economicregulator.tas.gov.au>