

Dear Mr. Bounds,

Re: TasWater's Proposed Service Charges on Unconnected Properties.

I refer to TasWater's Draft Price and Service Plan 2015-2018 (issued August 2014), Section 7.12, page 88. While this issue does not impact on me personally, I feel it is very unjust that land-owners should have to pay fixed charges for services which they are NOT receiving. At most, the charges may be partly justified if someone buys a vacant building block in an area which is quite thickly settled, and in which all the extant buildings are using reticulated services.

What I would not like to see is long-term owners of properties, which may technically be within the serviced area, but which have previously been nowhere near reticulated services, suddenly forced to pay charges if TasWater decides to bring reticulated water and/or sewerage pipes to their area. The same applies if properties which have previously been outside the serviced area, are suddenly included in it.

People who live outside the serviced areas will have gone to considerable expense to provide their own water and sewerage infrastructure (water tanks, septic tanks). If they have to pay charges on reticulated services only brought into their area many years after they became established, they would deserve a considerable discount on those charges in view of the fact that they were placing no burden at all on the reticulated services.

TasWater's view is that all owners who can connect to a service should contribute to the cost of the network, whether they want to use it or not, because it is an important factor in minimising prices in sparsely-settled geographical areas –but do sparsely-settled geographical areas really need reticulated services, especially if the inhabitants do not want TasWater's very expensive services? (If 80% if them actually *want* TasWater's reticulated services, it's a different matter).

Shacks. Shacks are still part of a way of life for a number of Tasmanian families, and they have often been in the same family for generations. They usually have tank water, and septic tanks, composting toilets or chemical toilets, which are quite sufficient for the limited number of days per annum they are in use. This infrastructure has been put in, paid for and kept in repair by the owners, who are already paying land tax, as these are not their main residences. If TasWater were to declare them to be in “serviced areas” and make them pay the service fees for “built-on but not connected” properties, many people would no longer be able to afford them. This is a source of worry in the community.

I refer to the Economic Regulator's 2015 Water and Sewerage Price Determination Investigation-Draft Report, Section 6.2.3.3, page 117, 4th paragraph “information from ESC Victoria..” -which gives reasons why such properties are not charged in that State, and I also refer to the last paragraph on page 117, cont. p.118, “ECOSA ..(South Australia) raised concerns..that the practice of imposing service charges may encourage over-investment on behalf of service providers...” Note particularly (p.118) “that imposing service charges” (on shacks etc.) “discourages potential water-saving measures that may occur through the usage of non-reticulated water systems.”

I agree with these arguments. If people are willing to take care of their own water supplies and sewerage (except in thickly-settled towns) they should not be discouraged from doing so.

Yours sincerely,

Jill CARINGTON-SMITH