

Dear Sir / Madam

I read with interest your draft Price and Service plan, (Executive Summary: A level Playing Field –one of the principles of the reforms to the water and sewerage industry was to achieve much greater equity and fairness in water and sewerage service pricing across Tasmania), and also in particular under section 3 where you state your view of “avoiding a price shock for your customers”.

In adopting the same price structure that relevant councils used instead of a more equitable system you created a major price shock for residents of Glenorchy.

As Glenorchy historically charged more for water and sewer and less for some other services, when this was deducted from Glenorchy’s rate base it left them in a financially unviable position.

As a consequence of your ill considered actions Glenorchy found it necessary to increase their rates by a considerable amount to cover the shortfall in revenue caused by the loss of water and sewer.

Consequently we are now still paying a similar amount in rates as other Southern Councils but substantially more in water and sewer charges.

While paying an excessive share for these services is inequitable, to then have a usage fee added to a bill that was already 77% higher than your target price with no mechanism for the usage being absorbed into the already inflated price illustrates a total disregard for the founding principles of “equity and fairness.”

If this is not a price shock totally due to the introduction of a State Water and Sewer authority then nothing is.

To do this to a municipality that is historically a lower socio economic area due to an aversion to challenging other Municipalities to pay their fair share borders on negligence.

My current water charge is \$708.92 per Annum plus usage

My current sewer charge is \$614.44 per Annum

When you compare this to your 2014/15 base year target figures of \$296.52 and \$519.00

It illustrates an excess bill of \$507.84 compared to your target price for 2014-15.

Your target price for 2017-2018 is \$353.16 and \$618.12 a total of \$971.28 a figure that is still short of my annual charge of \$1323.36 by \$352.08.

Given the exorbitant charges being levied on Glenorchy residents since the inception of a state wide water and sewer plan there must surely be a case for rectification and appropriate re-imbusement to all concerned.

While the concept of customers above target price transitioning down is an improvement on the original ludicrous concept of a two year price freeze and a 5 % discount, it is still a totally inadequate response which does not target the inequity nor address the over payment since inception of a Statewide system. Even the Tax Office will reimburse for overpayment. Perhaps those that have underpaid for the first 6 years should repay an extra percentage above target for the next 6 years (just like paying your back taxes) so Tas Water can re-imburse those they have overcharged.

Yours sincerely

Nicholas Grieve