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The Tasmanian Economic Regulator
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Submission to the Proposed the 2026 Water & Sewerage Price Determination Investigation

Dear Sir,

This submission relates to water access charges for unconnected properties within serviced land as noted on page 186.

The basis of the submission stems from recent court determinations relating to some banks and superannuation funds that charged fees; but where no services were in fact provided.

It was determined that such charges amounted to theft and the consequences for the banks and superannuation funds involved fines of millions of dollars plus refunds to clients.

I believe that this is a relevant precedent for assessing the integrity and legitimacy of the Taswater charges for unconnected properties. In fact, in my opinion it is far more damning for Taswater, because it is a monopoly provider with none of the commercial checks and balances that applied to the banks and superannuation funds involved in the court determination.

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In my opinion, the existing charge is nothing short of theft, being a compulsory fixed charge for absolutely no service.

I also note that Taswater endeavours to establish that it does provide a service by stating that (in its opinion) the mere existence of the availability for property owners to connect to the grid, increases the value of the property.

By any measure, the imposition of a fixed charge based upon this logic, which in my opinion is a sub-standard substitute for genuine professional, commercial and economic logic, is wrong and unjustifiable because the reality is that no developer is entitled to levy such a charge on any property owner that is considered to benefit from any such development.

In any event, any so called benefit can only be described as "potential" and certainly not "realised" and the concept that even the national government can levy a charge/tax on unrealised gains, was discredited and recently withdrawn due to wide spread public disapproval.

Any such gains can only be described as "potential" because they only become "realised" when a property is sold.

In my case, I have owned adjoining titles for over 40 years, so under the existing Taswater charging regime, there has been no value in the service provided during that time and the charge cannot possibly be claimed to be a "service" to me.

The logic that is stated on page 186 of the "Proposed 2026 Water & Sewerage Price Determination" as justification for this charge (and which apparently the TER has previously approved) is the kind of logic that could only make sense in a bureaucratic bubble, devoid of commercial reality and appropriate community standards.

I challenge the Tasmanian Economic Regulator to name one commercial organisation who could, would or does charge future customers for the costs of maintaining its infrastructure, when no goods or services are supplied.

One can only imagine what would happen if (say) Bunnings sent a quarterly bill to everyone within its service location, whether or not they are customers and justified the bill as being the cost of providing a store, just in case the property owner may use it in future years.

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It wouldn't take much time to imagine what the community outrage would be if, like Taswater, Bunnings argued that it is "unfair" on existing customers if non customers don't contribute to the cost of the infrastructure required to service them should they become customers at some time in the future.

I certainly know what the reaction from the ACCC would be and it most certainly wouldn't take a class action to get its attention.

In Taswater's case it would most probably be deemed to be an unconscionable exercise of monopoly power.

The whole bureaucratic bubble logic justifying the charge for unconnected properties is also dissolved by the fact that if a property owner wants to connect to the water distribution system, a significant connection fee is charged by Taswater.

When my neighbour connected to the system, it was explained that the high connection fee was to cover not only the direct cost of the connection, but it included a component for the cost of existing (and presumably previously paid for) infrastructure.

Even that component is only justifiable in the event that a new connection requires specific additional head works to be undertaken by Taswater.

It seems to me that the Economic Regulator needs to be mindful of the recent court case relating to services charged by some banks and superannuation funds and withdraw the ill- conceived and unjustifiable fixed charges that Taswater levies for unconnected properties, for absolutely no services provided.

Respectfully submitted,

Roger L G Martin

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