

## Sub-metering Policy

### Aim

The aim of this policy is to outline TasWater's approach to sub-metering of existing and new strata schemes and multi-unit properties. This policy applies to all residential and non-residential strata schemes and multi-unit properties.

### Legislation

- *Water and Sewerage Industry (Pricing and Related Matters) Regulations 2011*
- *Water and Sewerage Industry (Community Service Obligation) Act 2009*
- *Water and Sewerage Industry Act 2008*
- *Strata Titles Act 1998*
- *National Measurement Act 1960*

### Definitions

**Body corporate**<sup>1</sup> has the same meaning as in section 3 of the *Strata Titles Act 1998*:

*a body corporate formed under this Act*

**Certificate for Certifiable Work** means a certificate issued by TasWater in accordance with section 56TC(3) or section 56TC(4) of the *Water and Sewerage Industry Act 2008*.

**Common property** has the same meaning as in section 3A of the *Strata Titles Act 1998*:

*(1) For the purposes of this Act, common property for a strata scheme or community development scheme consists of –*

*(a) all land within the scheme that is not within the boundaries of a lot; and*

*(b) all other property administered by the body corporate for the relevant scheme –*

*and, in a case where the roof of a building forms part of the common property, the guttering attached to the roof or part of the roof is taken to be included in the common property.*

*(2) The common property for a strata scheme or community development scheme does not include land designated for future development in the master plan for a staged development scheme or a community development scheme.*

**Concession** means a concession granted under Section 8 of the *Water and Sewerage Industry (Community Service Obligation) Act 2009*.

**Connection point** has the same meaning as in section 3 of the *Water and Sewerage Industry Act 2008*:

*(a) The point at which the property's pipes connect with TasWater's water and/or sewerage infrastructure; or*

*(b) Such other point as may be prescribed in regulations.*

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<sup>1</sup> PART 6 - BODIES CORPORATE of the *Strata Titles Act 1998* provides more information on the body corporate

**Fixed charge** has the same meaning as in Regulation 3 of the Regulations:

*fixed charge means a charge, which is recurrent, for the provision of a regulated service to a customer, but does not include a variable charge.*

**General unit entitlement** refer to **unit entitlement**

**Interposing pipe work** means any pipe work that is between the connection point and the sub-meter and between the sub-meter and the strata titled lot. TasWater does not own and is not responsible for providing and / or maintaining interposing pipe work.

**Lot** has the same meaning as in section 16(2)(a) of the *Strata Titles Act 1998*:

*lot in respect of a site, means a part of the site –*

*(a) allocated for separate occupation by the owner of the lot or a person deriving rights of occupation from the owner; or*

*(b) consisting of land that, by virtue of a certificate under section 9A of the Meander Dam Project Act 2003, is to be treated as a lot;*

**Master meter** means a meter installed at the connection point that measures the total volume of water supplied to a strata scheme or a multi-unit property. A master meter may be connected to sub-meters.

**Multi-unit property** means a property which has more than one sole occupancy unit on one freehold title (ie a property not established as a strata scheme).

**Owner** means:

(a) the registered proprietor of the land noted on the Folio of the Register maintained by the Recorder of Titles; or

(b) the legal owner of general law land maintained by the Recorder of Titles.

**Regulations** mean the *Water and Sewerage Industry (Pricing and Related Matters) Regulations 2011*.

**Sole occupancy unit** means a building or other part of a building for occupation by one lessee, tenant or other occupier to the exclusion of any other lessee, tenant, or other occupier. A sole occupancy unit also included any part of the building that is common property or common property.

**Sub-meter** means a water meter that measures individual usage of water downstream of a master meter. The minimum sub-meter size is nominally 20mm.

**Sub-metering** means the installation of individual water meters to measure the volume of water supplied downstream of a master meter.

**Special unit entitlements** refer to **unit entitlement**

**Strata scheme** has the same meaning as in section 3 of the *Strata Titles Act 1998*:

*the complex of lots and common property (together with the system of administration and management) created on the registration of a strata plan.*

**Unanimous resolution** has the same meaning as in section 3 of the *Strata Titles Act 1998*:

*unanimous resolution of a body corporate means a resolution passed at a duly convened meeting of the members of the body corporate against which no member of the body corporate casts a dissentient vote (at the meeting or later as allowed by this Act).*

**Unit entitlement** has the same meaning as in section 16 of the *Strata Titles Act 1998*:

(1) Each lot created by a plan has a unit entitlement.

(2) A unit entitlement –

(a) may be a **general** unit entitlement operating for all the purposes of this Act; or

(b) may be a **special** unit entitlement operating for any one or more of the following purposes:

(i) for fixing the proportionate contribution to be made by the owner of the lot to the body corporate;

(ii) for fixing the owner's proportionate interest in the common property;

(iii) for fixing the number of votes to be exercisable by the owner of the lot at a general meeting of the body corporate;

(iv) for fixing the proportion of the body corporate's income to be apportioned to the owner of the lot.

(3) If a lot has a special unit entitlement for a particular purpose, it must also have a general unit entitlement for other purposes and a reference in this Act to the unit entitlement of the lot is to be taken, so far as relevant to a purpose for which the special unit entitlement was established, as a reference to the special unit entitlement but otherwise is to be taken to be a reference to the general unit entitlement of the lot.

(4) A unit entitlement must be a whole number.

(5) The unit entitlement, or a particular class of unit entitlement, may be the same for each lot or may vary from lot to lot.

(6) Unit entitlements must be fixed on a fair and equitable basis.

**Variable charge** has the same meaning as in Regulation 3 of the Regulations:

*variable charge means a charge, for a regulated service, that varies according to the volume of the water delivered to, or sewage removed from, the property to which the charge relates.*

**Water meter** means a device, including equipment related to the device, for measuring the volume of water delivered to a property.

## Policy

### Multi-unit properties

#### *New multi-unit properties*

All new multi-unit properties for which TasWater issues a Certificate for Certifiable Work will have a master meter at the connection point. The owner will be billed for the fixed and variable charges with the fixed charge based on the master meter size and the variable charge based on the volume of water supplied through the master meter.

#### *Sub-metering new multi-unit properties*

All new multi-unit properties will have a master meter at the connection point. The owner of a new multi-unit property has the option of installing sub-meters for each unit.

As installing and reading sub-meters in multi-unit properties are unregulated services, the owner has the option of using a third party to undertake these services.

TasWater may, at its discretion, approve each unit being individually connected to TasWater's water main.

#### *Existing multi-unit properties – no sub-meters*

All existing multi-unit properties will have a master meter at the connection point. The owner will be billed for the fixed and variable charges with the fixed charge based on the master meter size and the variable charge based on the volume of water supplied through the master meter.

#### *Sub-metering existing multi-unit properties*

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#### *Existing multi-unit properties with sub-meters*

If the multi-unit property is already sub-metered TasWater will bill the owner for the fixed and variable charges with the fixed charge based on the master meter size and the variable charge based on the volume of water supplied through the master meter. The owner has the option of entering into an agreement with TasWater or a third-party for the reading of sub-meters.

### Strata schemes

#### *New strata schemes*

All properties will have a master meter at the connection point with the fixed and variable charges the responsibility of the owner until the property is strata titled. The fixed charge is determined by the size of the master meter and the variable charge is determined by the volume of water measured by the master meter.

As a property is strata titled after the completion of TasWater's development assessment process the installation of sub-meters is at the owner's discretion.

New strata schemes may be metered in one of the following ways:

- (a) Single master meter only;
- (b) Master meter and sub-meters; or

(c) Lots individually connected to TasWater's water main.

**(a) Single master meter only**

If the owner decides not to install sub-meters each lot owner will be billed for a proportion, determined by their respective general or special unit entitlement, of the fixed charge with the fixed charge determined by the size of the master meter.

The applicable variable charge will be determined by the volume of water measured by the master meter and can be billed either to the strata scheme's body corporate<sup>2</sup> or to individual lot owners.

Where the variable charge is billed to the lot owners the amount must be apportioned on the basis of the general unit entitlement of the lot, or, if there is a special unit entitlement relating to the lot in respect of the liability for charges for water use, on the basis of the special unit entitlement of the lot.

**(b) Master meter and sub-meters**

If the owner decides to install sub-meters TasWater will supply the sub-meters at no cost to be installed at the owner's cost.

Sub-meters must be installed to TasWater's approved installation standards and remain TasWater's property. TasWater will maintain the sub-meters.

Once sub-meters have been installed and tested the lot owner, will be billed a fixed charge (based on the size of the sub-meter) and a variable charge based on the volume of water supplied to the lot as measured by the sub-meter.

In addition, each lot owner's bill will include a proportion, determined by the general or special unit entitlement, of:

- fixed and variable charges for the common property(s) sub-meter(s) (if applicable); and
- excess water supplied to the master meter (where the master meter reading is greater than the sum of the individual sub-meter readings).

Where the master meter reading is less than the sum of the individual sub-meter readings, each lot owner will be billed for the volume of water supplied to the lot as measured by the relevant sub-meter<sup>3</sup>.

**(c) Individual connection to TasWater's water main**

Where there is no common property, no interposing pipe work and no requirement for a master meter TasWater may, at its discretion, approve each lot being individually connected to TasWater's water main.

Where each lot is individually connected to TasWater's water main each lot owner will be billed a fixed charge (based on the size of each lot's individual meter) and a variable charge based on the volume of water supplied to each lot as measured by the lot's individual meter.

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<sup>2</sup> Regulation 18(1) of the *Water and Sewerage Industry (Pricing and Related Matters) Regulations 2011*.

<sup>3</sup> Due to the relatively smaller size of the sub-meters the level of accuracy in the sub-meters is deemed to be greater than that of the master meter.

### **Existing strata schemes**

Existing strata schemes are metered in one of the following ways:

- (a) Single master meter only;
- (b) Master meter and sub-meters;
- (c) No master meter and individual lot meters;
- (d) Lots connected individually to TasWater's water main;
- (e) Master meter but with some individual lots connected directly to TasWater's water main;
- (f) Multiple master meters;
- (g) Multiple master meters but with some individual lots connected directly to TasWater's water main.

#### **(a) Single master meter only**

Each lot owner will be billed for a proportion, determined on the basis of the general or special unit entitlement, of the fixed charge with the fixed charge determined by the size of the master meter.

The applicable variable charge will be determined by the volume of water measured by the master meter and can be billed either to the strata scheme's body corporate<sup>4</sup> or to lot owners.

Where the variable charge is billed to the lot owners the amount must be apportioned on the basis of the general unit entitlement of the lot, or, if there is a special unit entitlement relating to the lot in respect of the liability for charges for water use, on the basis of the special unit entitlement of the lot.

#### **(b) Master meter and sub-meters**

If all lot owners in a strata scheme agree to sub-metering and the body corporate provides TasWater with a copy of a unanimous resolution authorising the installation of sub-meters and a completed application form, TasWater will supply lot owners with sub-meters at no cost to be installed at the lot owners' cost. TasWater will maintain the sub-meters.

Sub-meters must be installed to TasWater's approved installation standards and remain TasWater's property.

Once sub-meters have been installed and tested, each lot owner will be billed a fixed charge (based on the size of the sub-meter) and a variable charge based on the volume of water supplied to the lot as measured by the sub-meter.

In addition, each lot owner's bill will include a proportion, determined on the basis of the general or special unit entitlement, of:

- fixed and variable charges for the common property(s) sub-meter(s) (if applicable); and
- excess water supplied to the master meter (where the master meter reading is greater than the sum of the individual sub-meter readings).

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<sup>4</sup> Regulation 18(1) of the *Water and Sewerage Industry (Pricing and Related Matters) Regulations 2011*.

Where the master meter reading is less than the sum of the individual sub-meter readings, each lot owner will be billed on the volume of water supplied to the lot as measured by the relevant sub-meter<sup>5</sup>.

**(c) No master meter and individual lot meters**

Where there are meters on individual lots but no master meter, each lot owner will be billed a fixed charge (based on the size of each lot's meter) and a variable charge based on the volume of water supplied to the lot as measured by the lot's individual meter. In addition, if there is a meter for common property, each lot owner's bill will include a proportion, determined by the general or special unit entitlement, of the fixed and variable charge for the common property.

If the lot meters are not installed at the connection point TasWater may, at its discretion and at its cost, install a master meter at the connection point to measure any water potentially lost between the connection point and the individual lot meters.

If TasWater installs a master meter, the individual lot meters and common property(s) meter (if applicable) will be deemed to be sub-meters and each lot will be billed a fixed charge (based on the size of the sub-meter) and a variable charge based on the volume of water supplied to the lot as measured by the sub-meter.

In addition, each lot owner's bill will include a proportion, determined by the unit (general or special) entitlement of:

- fixed and variable charges for the common property(s) sub-meter(s) (if applicable); and
- excess water supplied to the master meter (where the master meter reading is greater than the sum of the individual sub-meter readings).

Where the master meter reading is less than the sum of the individual sub-meter readings, each lot will be billed on the volume of water supplied to the lot as measured by the sub-meter.<sup>5</sup>

**(d) Individual connection to TasWater's water main**

Where each lot in a strata scheme is individually connected to TasWater's water main and there is no common property, no interposing pipe work and no requirement for a master meter each lot owner will be billed a fixed charge (based on the size of each lot's individual meter) and a variable charge based on the volume of water delivered to each lot as measured by the lot's individual meter.

**(e)(f)(g) Other metering configurations**

Due to legacy plumbing arrangements some strata schemes are metered as follows:

- Master meter plus some lots individually metered; or
- Multiple master meters; or
- Multiple master meters plus some lots individually metered.

Where the above metering configurations apply, each lot owner will be billed for a proportion, determined on the basis of the general or special unit entitlement, of the sum of the individual

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<sup>5</sup> Due to the relatively smaller size of the sub-meters the level of accuracy in the sub-meters is deemed to be greater than that of the master meter.

fixed charges for all the meters required to meter all the lots in the strata scheme with the fixed charges determined based on the size of the individual meters.

In addition, each lot owner will be billed a variable charge for a proportion, determined on the basis of the general or special unit entitlement, of the sum of the volume of water measured by all of the meters in the strata scheme.

### **Common Property**

The installation of a sub-meter for common property in a strata scheme is optional. Where common property is not sub-metered the difference between the volume of water measured at the master meter and the sum of the volume of water measured by each of the sub-meters for the individual lots will be deemed to be the water supplied to common property.

If all lot owners agree to the installation of a sub-meter(s) for common property, each lot owner's bill will include, a proportion, determined on the basis of the general or special unit entitlement, of the fixed charge for the common property sub-meter.

The variable charge for common property, whether deemed as above, or measured by a sub-meter, can be billed either to the strata scheme's body corporate<sup>6</sup> or to the individual lot owners.

Where the variable charge is billed to the lot owners the amount must be apportioned on the basis of the general unit entitlement of the lot, or if there is in respect of the lot a special unit entitlement in respect of the liability for charges for water use, on the basis of the special unit entitlement of the lot.

### **Apportionment of charges based on unit entitlements**

Where details of the strata general or special unit entitlements are available from the Land Titles Office Cadastral Spatial Layer the apportionment will be based on those entitlements. Where this information is not available, the charges will be shared equally across all of the lots, unless the body corporate advises TasWater of an alternative apportionment in writing in the form of a copy of a unanimous resolution.

### **Change to unit entitlements**

Lot owners may change the unit entitlements that apply to their strata scheme. However unit entitlement changes must be made in accordance with the requirements set out in section 17 of the *Strata Titles Act 1998*:

- (1) The unit entitlements of the lots created by a plan may be changed –
  - (a) by unanimous resolution of the body corporate; or
  - (b) by order under Part 9; or
  - (c) if the total unit entitlements of the lots subject to the change are not affected, by agreement between the owners of the lots and with the consent of the registered mortgagees and lessees of the lots.
- (2) A change of unit entitlements under subsection (1) does not take effect until the plan is changed by registration of an amendment including the change.

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<sup>6</sup> Regulation 17(2) of the *Water and Sewerage Industry (Pricing and Related Matters) Regulations 2011*.



The body corporate must provide TasWater with a copy the unanimous resolution authorising the change of unit entitlements.

#### *Fire Services*

Strata schemes may have a dedicated water service to a fire hose reel for fire protection purposes. Where a dedicated water service is provided, a fire service charge will apply to the strata scheme. Each lot owner's bill will include a proportion, determined by the general or special unit entitlement, of the applicable fire service charge.

#### *Concessions*

A lot owner's eligibility for a concession is unaffected by a strata scheme's meter configuration.

### Responsibilities

The Chief Executive Officer of TasWater is responsible for implementing this policy.

### Associated Documents/References

- *TasWater Water Metering Guidelines*
- *TasWater Property Services Connection Standards Drawing - Water Services*
- *TasWater Boundary Backflow Containment Selection Requirements*
- *TasWater Sub-metering Application Form*

*Approved by the Board at its meeting on ..... of ..... 2015.*

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*Chairman*