

Trade Waste Charges Policy

Aim

TasWater provides a service to collect, convey and treat industrial and commercial trade waste across Tasmania. This policy applies to trade waste customers and outlines how TasWater applies charges for trade waste services.

Legislation

- *Water and Sewerage Industry Act 2008*
- *Water and Sewerage Industry (Pricing and Related Matters) Regulations 2011*

Definitions

Act means the Water and Sewerage Industry Act 2008.

Application Fee means the cost imposed by TasWater for assessment of an application and making a determination about accepting trade waste to sewer.

Category 1 Trade Waste Customer has the same meaning as in the Customer Contract.

Category 2 Trade Waste Customer has the same meaning as in the Customer Contract.

Category 3 Trade Waste Customer means those dischargers of trade waste which through volume, composition or quality, individually or combined, pose a medium risk to the operation of TasWater's sewerage infrastructure.

Category 4 Trade Waste Customer means those dischargers of trade waste which through volume, composition or quality, individually or combined, pose a high risk to the operation of TasWater's sewerage infrastructure.

Consent has the same meaning as in the Customer Contract.

Customer has the same meaning as in the Act. For the purposes of this Policy, TasWater considers the property owner to be the Category 1 Trade Waste Customer or the Category 2 Trade Waste Customer and the business owner to be the Category 3 Trade Waste Customer or the Category 4 Trade Waste Customer.

Customer Contract means a contract pursuant to Division 4 of Part 4 of the Act between a regulated entity and a customer for the provision of regulated services to the customer, which includes standard terms and conditions of service.

Fixed sewerage charge has the same meaning as in the Customer Contract.

Mass load charge is the charge applied to the quantity (in kilograms) of pollutant discharged by a customer to TasWater's sewerage infrastructure.

Non-compliance charge is the charge applied when a customer fails to comply with the conditions applicable in accordance with the consent permitting the customer to discharge trade waste to TasWater's sewerage infrastructure. The charge is a multiple of the target trade waste charge where multipliers are used to calculate the non-compliance charges to be applied to reflect either a minor or major non-compliant event.

Regulator means the Regulator established under section 11 of the Act.

Trade waste has the same meaning as in the Act.

Trade Waste Agreement means an agreement pursuant to section 61 of the Act between TasWater and the customer for the discharge of trade waste to TasWater's sewerage infrastructure.

Trade waste charge means a recurrent charge for the acceptance of trade waste from a customer but does not include a fixed sewerage charge. The trade waste charge comprises:

- an annual management component calculated based on an apportionment of time spent on the administrative and technical components required to adequately manage each category of customers; and
- an usage component which is calculated based on the deemed average trade waste discharge volumes for customers in each category.

Volumetric charge is the charge applied to the volume (in kilolitres) of trade waste discharged by a customer to TasWater's sewerage infrastructure

Policy

TasWater is committed to effectively and efficiently managing trade waste discharge to sewer in a manner which prevents harm to people, the environment and TasWater's sewerage infrastructure.

To achieve this, TasWater will use reasonable endeavours to:

- apply a responsive risk based approach to the management of trade waste
- develop systems, procedures and agreements that:
 - support the efficient and effective operation of our sewerage infrastructure
 - outline how the risks associated with TasWater's acceptance of trade waste will be managed
 - protect the safety of people (including TasWater personnel and members of the public) and the environment
- put appropriate agreements in place with all dischargers of trade waste to clarify dischargers' obligations in accessing trade waste services
- fully recover the costs of providing trade waste services on an equitable basis (including the cost of conveyance, treatment and disposal, and maintenance and repair of damage to the sewerage infrastructure)
- provide customers with economic and regulatory certainty to encourage trade waste minimisation through sustainable, clean and innovative trade waste management practices

TasWater will provide a service to trade waste customers where trade waste is collected, conveyed and treated as long as it is of an appropriate volume and quality to be accepted for discharge into TasWater's sewerage infrastructure. The conditions of acceptance and the associated charges may differ depending on the level of risk associated with the trade waste discharged.

Trade Waste Consent

Under section 56Z1 of the Act, a person must not cause or permit anything to be discharged into TasWater's sewerage infrastructure without obtaining TasWater's consent. It is an offence to discharge trade waste to TasWater's sewerage infrastructure without TasWater's consent.

Customer categories

Determining a customer's category involves the calculation of a risk score for each customer based on the following four key elements: business activity, substance of concern, pre-treatment requirements and trade waste volume.

A customer's risk score is applied to provide an indication of the expected demand placed on TasWater's sewerage infrastructure by the trade waste discharged by the customer.

The TasWater Trade Waste Customer Category Guideline provides further detail on the categorisation of trade waste customers and is available on TasWater's website at www.taswater.com.au.

TasWater classifies trade waste customers into four main categories:

- **Category 1:** dischargers of trade waste of low volume or strength which provides minimal risk to TasWater's sewerage infrastructure and can be managed through cleaner production methods
- **Category 2:** dischargers of trade waste of low to medium volume which requires physical pre-treatment at the source to make it acceptable for discharge to TasWater's sewerage infrastructure. Category 2 is further separated into 3 sub categories (2A, 2B and 2C) based on an assessment of the commercial and technical risk associated with accepting a customer's trade waste to TasWater's sewerage infrastructure
- **Category 3:** dischargers of trade waste which through volume, composition or quality, individually or combined, poses a medium risk to the operation of TasWater's sewerage infrastructure
- **Category 4:** dischargers of trade waste which through volume, composition or quality, individually or combined, poses a high risk to the operation of TasWater's sewerage infrastructure.

Customer Self-Assessment

The TasWater Trade Waste Customer Category Guideline is available on our website at www.taswater.com.au. Customers are able to enter information about their business activity and water consumption into the calculator to identify the most appropriate category for their business based on their inputs. The trade waste category for a business is provided as a guide only and should be confirmed with TasWater's trade waste department.

Trade Waste Fees and Charges

- Category 1 and 2 Trade Waste Customers:
 - TasWater will levy application fees, target trade waste charges and non-compliance charges for Category 1 and 2 Trade Waste Customers.
 - These charges will be in accordance with the Price and Service Plan 2015-2018 and indexed annually by 2.5 per cent as approved by the Regulator.
- Category 3 and 4 Trade Waste Customers:
 - TasWater will levy application fees, volumetric charges, mass load charges and non-compliance charges for Category 3 and 4 Trade Waste Customers. These fees and charges and associated indexation will be determined by TasWater annually.

- TasWater will negotiate a transition period with Category 3 and 4 Trade Waste Customers that reflects the reasonable time required for the customer to implement appropriate trade waste risk controls. During the transition period, where agreed, volumetric and mass load charges will be levied at a percentage of the full cost. Any transition period must conclude with the customer paying 100 per cent of costs on or before 1 July 2020 to comply with legislative requirements.

The agreed transition period may include, but is not limited to, time for funding, design, construction, installation and commissioning of pre-treatment where required. Approved transition periods will require customers to achieve long term sewer acceptance limits and full charges by the conclusion of the period.

TasWater will publish the schedule of fees and charges for each category of trade waste customer on its website at www.taswater.com.au.

Developer Charges

Where a trade waste customer proposes a new development or a change in use or operation which results in a significant increase in consumption of the capacity of TasWater's sewerage infrastructure additional charges may apply in accordance with TasWater's Developer Charges Policy.

Cancellation or suspension

A trade waste customer may cease utilising a trade waste service either permanently or temporarily in accordance with the trade waste customer's Trade Waste Agreement.

TasWater may suspend or cancel its consent for a customer to discharge trade waste to TasWater's sewerage infrastructure in accordance with the conditions of TasWater's consent or the Trade Waste Agreement between TasWater and the trade waste customer.

Responsibility for Charges

The trade waste customer is responsible for ensuring that they have TasWater's consent to discharge trade waste to TasWater's sewerage infrastructure from the trade waste customer's property and that the trade waste customer pays all charges levied by TasWater for the provision of the trade waste service to the trade waste customer's property.

Responsibilities

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

Associated Documents/ References

- *Water and Sewerage Industry Act 2008*
- *Water and Sewerage Industry (Pricing and Related Matters) Regulations 2011*
- TasWater Liquid Trade Waste Policy
- TasWater Trade Waste Guideline
- TasWater Trade Waste Customer Category Guideline
- TasWater Price and Service Plan 2015-2018
- TasWater Customer Contract

Approved by the Board at its meeting on of 2015.

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Chairman