

FACT SHEET

Water and sewerage reform

Long term reform to the delivery of water and sewerage in Tasmania is necessary for economic, health and environmental reasons.

However, a longer transition period is necessary for Tasmanians to familiarise themselves with the new water and sewerage arrangements.

To ensure that Tasmanians are not unduly burdened by the reforms and that those most at risk are supported, the State Government is assisting the transition to the new water and sewerage arrangements by providing greater support and clarity for Tasmanians to plan and budget for the reforms.

FREQUENTLY ASKED QUESTIONS

Am I paying for water and sewerage for the first time?

No. Charges for water and sewerage services have previously formed part of your rates from your local council.

This includes rates paid on houses, shacks, and vacant blocks.

You are now charged separately for water and sewerage services from your new water and sewerage corporation.

The Tasmanian Government does not own the water corporations and receives no financial return from them. Councils own the corporations and receive returns from them.

DID YOU KNOW?

- Almost 100 sewage spills were reported in July and August this year alone. It is unacceptable having raw sewage in our rivers, in our streets and on our beaches
- 23 Tasmanian communities are on permanent 'boil water alerts'
- Around 90% of our waste treatment plants do not fully comply with permit notice discharge limits
- 40% of our water systems do not fully comply with public health monitoring and bacterial requirements

What changes will the State Government be introducing for water and sewerage?

The State Government is implementing a package of initiatives to help Tasmanians transition to the new water and sewerage arrangements and provide certainty for Tasmanian families and those most in need.

The table on the next page provides a summary of the initiatives.

The following section also provides answers to frequently asked questions about the new initiatives.

FACT SHEET

Water and sewerage reform

Summary of State Government initiatives to support the transition to the new water and sewerage arrangements. Further information about each of these initiatives is contained in the following pages.

	Initiative	What it means
1	Price increases for water and sewerage capped at 5% for 2009-10, 2010-11 and 2011-12.	<p>Allowable price increases had been capped at 10% per year for the first three years from 1 July 2009. By capping the price increases at 5%, the allowable price increases for the next three years has been effectively halved for many households.</p> <p>From 2012-13 onward prices will then be determined by an independent regulator.</p> <p>By capping price increases at 5% in 2009-10 Tasmanians will be eligible for a rebate on their water and sewerage.</p>
2	Tasmanians will have until 30 June 2010 to pay this year's water and sewerage bills.	<p>This means that Tasmanians will have the option to make payments up to 30 June 2010, allowing greater flexibility and time to plan and budget for water and sewerage charges.</p> <p>Flexible payment options such as fortnightly direct debit will still be available.</p> <p>The Government will work with the Water and Sewerage Corporations to revise billing arrangements and give Tasmanians until 30 June 2010 to pay.</p>
3	Water meters installed state-wide	<p>The Government supports the roll out of water meters to unmetered areas of Tasmania by 2012-13. This means that people will be able to better manage their water use and bills will reflect the amount of water consumed making it a fairer system.</p> <p>The Government will only do this after a detailed community consultation process.</p>
4	Housing Tasmania tenants will continue to be exempt from water and sewerage charges.	<p>This means that Housing Tasmania tenants will not have to pay for their water usage nor will they pay for the fixed component of water and sewerage charges. These costs will be paid on their behalf by the State Government.</p>
5	The water and sewerage concession available to pensioners and low income earners will be indexed against price rises in water and sewerage.	<p>The State Government currently provides a concession for eligible low-income earners and pensioners. The value of this concession will be linked to price rises in water and sewerage.</p>
6	Provide clarity and certainty for renters and landlords.	<p>Currently, landlords receive the entire water and sewerage bill, including both the fixed and volumetric charges. The Government expects this will continue until 2012-13 when meters are expected to be installed to all currently un-metered areas. At that time it is expected that the fixed charge for water and sewerage bills will be paid by property owners, while the usage charge will be paid by tenants.</p>

FACT SHEET

Water and sewerage reform

Price increases capped at 5%

What will capping prices at 5% mean for households and businesses?

Both households and businesses will have price rises capped at 5% for 2009-10, 2010-11 and 2011-12.

Any Tasmanian who has already paid a water and sewerage bill this year in full that represented an increase of more than 5% over last year will receive a refund for the extra 5% they paid.

The 5% cap applies to the total bill.

How can I figure out if I am eligible for a rebate?

You do not need to take any action at this stage. Every customer will receive a rebate however only those that have paid their account in full will receive a 5% refund.

The water and sewerage corporations will determine your eligibility for a refund.

Most customers who have paid their water and sewerage annual charges in full will be eligible for a rebate.

Those that have part paid their annual accounts (by quarterly instalments, or regular periodic payments for example), will have their future bills adjusted to take into account the price cap.

Further information about eligibility and timing of the rebate will be available in the new year.

What if I haven't received a bill for water and sewerage?

By now most people should have received their first water and sewerage bill.

If you have not yet received a bill, you may be issued with a bill which only reflects a five per cent increase.

The Government will be working with the water and sewerage corporations on the most suitable billing arrangements and will provide further information to you in the new year.

If I am eligible, when will I receive my refund?

Eligible Tasmanians will receive their rebates as soon as possible, however it is expected that refunds will not be finalised or paid until the new year.

More information about when refunds will be paid will be provided as soon as it becomes available.

You do not need to take any action. The water corporations will determine your eligibility.

How will I receive my refund?

The Government will work with the water and sewerage corporations over the next few weeks to work out the most appropriate way to refund consumers for the amount they have paid over and above the 5% cap.

Options may include either providing a credit on your next water and sewerage bill or providing a direct payment.

Details of the refund and how it will be received will be provided in the new year.

Will the price cap mean that the water and sewerage corporations will now not be able to invest in critical water and sewerage infrastructure?

No. The State Government will make up any revenue shortfall to the water and sewerage corporations that may arise so that Tasmanians will still get the vital water and sewerage infrastructure the State needs. This is estimated to cost around \$9 million in 2009-10.

FACT SHEET

Water and sewerage reform

2 Bill payments extended until 30 June 2010

How long do I have to pay my bill?

The State Government has announced that Tasmanians will have until 30 June 2010 to pay this year's water and sewerage bills.

This will enable Tasmanians to have more time to plan their finances.

I've got a current bill with a due date in December/January – do I still have to pay that one or can I wait until 30 June?

People should still pay their current water and sewerage instalment by the due date. The option to make payments until 30 June 2010 will be shown on future instalment notices.

Can I still pay my bill by fortnightly payments?

The water and sewerage corporations will continue to provide consumers with flexible payment options. If fortnightly payments work best for you then you can continue to pay in this way, provided you have arranged this with your water and sewerage corporation

3 Looking after Housing Tasmania tenants

I am a Housing Tasmania tenant. Will I receive a water and sewerage bill?

No. The Government intends to exempt Housing Tasmania tenants from receiving water and sewerage bills. Housing Tasmania will continue to be responsible for water and sewerage bills for the properties it owns.

4 Water meters installed state-wide

Will water meters be installed?

The Government supports a state-wide rollout of water meters and will consult with the community on this initiative.

Water meters are in place in all other Australian jurisdictions but only around half of Tasmanian customers have fully functioning meters in place currently.

Water meters will enable customers to monitor and control their water consumption.

I already have a water meter – will anything change for me?

No. If you already have a working water meter you will continue to be charged for water and sewerage in two parts - fixed charges and usage charges. Usage or volumetric charges relate to your water consumption as measured on your water meter.

Why do I need to have a water meter installed?

Water meters will enable consumers to monitor their water use and will ensure that water is charged on a fair and equitable basis.

When will water meters be installed?

It is intended that water meters will be progressively installed across Tasmania with a state-wide completion target of 2012-13.

Do I have to pay for the water meter?

Customers will not have to pay for the water meter upfront. The cost of the meter will be built into the fixed charge and recovered over the 10 year life of the meter.

FACT SHEET

Water and sewerage reform

What are the benefits of having a water meter?

Water meters have significant benefits for consumers and the wider community;

- They allow water leaks in the pipeline system and on properties to be identified, which reduces water loss;
- They allow the water corporations to better direct their maintenance and capital expenditure and reduce water bills to customers;
- They allow customers to better manage their consumption and provide incentives to reduce water use and their water bills by providing them with information on the volume of water they use.
- They reduce the need for water restrictions as a way of managing water demand.

5 Providing clarity for renters and landlords

Can my landlord pass on water and sewerage charges?

Landlords will continue to receive the entire water and sewerage bill from the water corporations for this year and the next two years.

Once water meters are introduced state-wide, landlords will be liable for the fixed cost part of the bill and renters will only pay for the water they use.

This system provides a fair balance between the rights of tenants and landlords.

Some landlords currently pass on costs to tenants for water use under lease arrangements unrelated to the water and sewerage reforms.

6

Protecting low income Tasmanians

What does “indexing concessions with price rises” mean?

The State Government currently provides a concession for eligible low-income earners and pensioners. The value of this concession will be linked to price rises in water and sewerage. If water and sewerage bills increase by 5% in a year, then so, too, will the concession.

How do I find out if I am eligible for the water and sewerage concession?

The eligibility criteria include:

- those customers who hold a Health Care Card or Pensioner Concession Card issued by Centrelink; and
- those customers who hold a Department of Veterans' Affairs Repatriation Gold Card.

If you were eligible for the pensioner rate remission from your local council on 30 June 2009 you are automatically eligible for the water and sewerage concession. You will not have to apply to your water and sewerage corporation for a concession.

If no concession is shown and you believe you are eligible phone 13MYWATER (13 6992). You can also download an application form for the concession at mywatertas.com.au

A concession granted to an eligible customer applies from the day the application is granted by a water and sewerage corporation.

For any other questions please call your water corporation on 13MYWATER (13 6992)