

Water and Sewerage Industry Amendment Bill 2012

FACT SHEET

The *Bill* clarifies and improves the legislative environment in which the regional corporations operate, and in which water and sewerage customers participate.

The *Water and Sewerage Industry Act 2008* came into effect in mid-2009 as the primary legislative instrument to implement regulatory reform in Tasmania's urban water and sewerage sector. Since its enactment it has been necessary to make a number of amendments to the Act in order to fine-tune the urban water and sewerage regulatory framework.

Consultation with the urban water and sewerage industry, relevant regulators and state government stakeholders has identified a number of adjustments to the regulatory framework which are considered necessary to fulfil the intent of the water and sewerage reforms. These adjustments include four amendments to the Act.

The proposed amendments to the Act are outlined below.

1. Improve the definition of 'trade waste' so that it better aligns with the national industry standards, and so that it helps to clarify the type of sectors and/or activities that are considered to generate liquid trade waste for the purposes of the Act. The definition of trade waste in the Act is intended to differentiate liquid trade waste from domestic residential sewage streams, and the Bill will help to define this difference. Furthermore, the proposed amendment supports the regulatory framework for trade waste as outlined in the Economic Regulator's recent Price Determination, and provides some clarity for existing and potential trade waste customers.
2. Clarify the water restriction requirements in the Act, so that water and sewerage corporations can impose a ban on the use of outdoor water on days declared by the State Fire Commission to be days of total fire ban. The Act currently requires corporations to notify their customers, by a notice in a local newspaper, prior to imposing a water restriction. However, this requirement is difficult, or impossible, to comply with on days of total fire ban, which are often declared late in the day preceding the day of total fire ban. The Bill will help the corporations work effectively with the State Fire Commission to ensure that adequate water pressure is available for fire fighting and in turn help meet community expectations regarding fire safety.
3. Provide the water and sewerage corporations with the flexibility to engage contractors or employees to enter properties to read water meters. Any meter reader appointed by a corporation would need to comply with existing requirements in the Act that aim to protect customers, such as the times during which properties may be accessed and the identity cards that must be displayed if demanded by a customer. The proposed amendment is consistent with the water meter reading powers available in the majority of the other states and territories, and also consistent with the powers available to read electricity meters in Tasmania.

4. Provide a mechanism that enables trade waste customers and the corporations to re-negotiate the terms and conditions of Special Plumbing Permits (and Trade Waste Agreements) that were transferred to the corporations from local councils with no termination date. The corporations have inherited a number of these trade waste consents which have no end dates and have terms and conditions which may be harmful to sewerage infrastructure or waste water treatment operations. The proposed amendment allows up to 3 years for the parties to negotiate a new agreement. If an agreement cannot be reached then the Economic Regulator has the power, if requested, to set terms and conditions.

The mechanism to revise the terms and conditions of these trade waste consents is, in effect, similar to the power under the *Plumbing Regulations 2004*, which local councils could use to amend such permits prior to them being transferred to the corporations. These regulations provided local councils that granted such permits with the power to revise the terms and conditions at any time, and hence there was no need to specify a termination date. The mechanism proposed in the Bill provides more customer protection and recourse than was provided under the *Plumbing Regulations 2004*.