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Hon Rosemary Armitage MLC
Chair
Legislative Council Select Committee – TasWater Ownership
Parliament House
HOBART TAS 7000

Dear Mrs Armitage

Rosemary

TasWater trade waste demands

On 14 September 2017, I appeared before the Legislative Council Select Committee inquiring into the issue of ownership of TasWater, and presented to the Committee on the Government's submission to the inquiry.

Further to the discussion that occurred regarding TasWater's trade waste policies and the recent demands made of small and medium businesses in Tasmania, I would like to take the opportunity to provide additional information relevant to that issue.

There have been no changes to any part of the regulatory framework since the Tasmanian Economic Regulator's approval of TasWater's current trade waste policy in the 2015 Price Determination. The Environment Protection Authority regulates the environmental impacts of the water and sewerage industry but it is important to note that the EPA is concerned with the discharge of treated sewage from a wastewater treatment plant, not the carriage of untreated liquid waste through the reticulated sewerage system – this is a matter for TasWater to manage.

TasWater relies on section 56V(1)(c) of the *Water and Sewerage Industry Act 2008* to require an owner or occupier of land on which a business is operating to install a pre-treatment device to ensure trade waste discharged to the sewer is compliant with the exclusions and limits prescribed by the *Water and Sewerage (General) Regulations 2009*. TasWater has issued guidelines that explain what pre-treatment solutions will be accepted for each type of business (deemed-to-satisfy) and what alternative devices could be included in a tailored "Performance Solution".

The Government has received numerous representations and correspondence from businesses across Tasmania, which suggest that TasWater is issuing notices demanding businesses install "deemed-to-satisfy" pre-treatment solutions, and not offering those businesses the option of designing an alternative Performance Solution that would be better suited to the specific characteristics of the business and trade waste produced, at a lower cost. The issue appears to be affecting low to medium risk trade waste customers that are required to pre-treat waste before it can be accepted to the sewer. These customers are typically small businesses.

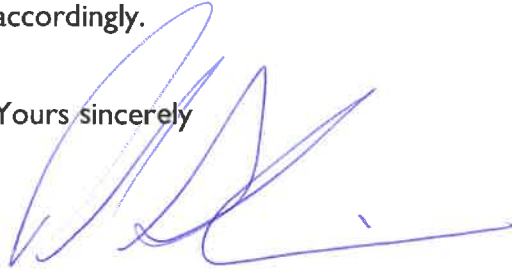
TasWater's published trade waste policy provides for flexibility in finding solutions for the pre-treatment of trade waste, however there appears to be a reluctance by TasWater to exercise this flexibility. This is why the Government has publicly called upon TasWater to put a halt on its practice of making unreasonable and inflexible demands on businesses, and immediately review its

practices and engage with business owners to find sensible solutions that are achievable, cost-effective and lawful.

Instead of working with affected businesses to enable them to achieve compliance, TasWater's response has been to accuse the Government of forcing TasWater and trade waste customers to break the law, which is simply not true. I wish to emphasise that the Government's call for TasWater to halt its current program is not a call for businesses to discharge untreated waste to the sewer, but instead is a call for TasWater to discontinue its narrowly-focussed approach and use the full range of options in its current trade waste policy.

If the Committee has any further questions or would like clarification on any issues in the Government's submission or discussed during my appearance, I would be pleased to respond accordingly.

Yours sincerely



Hon Peter Gutwein MP
Treasurer