

Walcha Council

TBL Sewerage Performance

2013-14

SEWERAGE SYSTEM - Walcha Council serves a population of 1,700 (790 connected properties) and has 1 sewage treatment works providing secondary treatment. The system comprises 2,400 EP treatment capacity (Trickling Filter), 1 pumping station (3 ML/d), 1 km of rising mains and 29 km of gravity trunk mains and reticulation. No effluent was recycled. Walcha Council has a Pollution Incident Response Management Plan (PIRMPs) for their sewage treatment works.

PERFORMANCE - Residential growth for 2013-14 was 0.3% which is lower than the statewide median. Walcha Council achieved 89% implementation of the NSW BPM requirements. The 2014-15 typical residential bill was \$440 which was much less than the statewide median of \$669 (Indicator 12). The economic real rate of return was 0.9% which was less than the statewide median (Indicator 46). The operating cost per property (OMA) was \$427 which was similar to the statewide median of \$430 (Indicator 50). Sewage odour complaints were less than the statewide median of 1 (Indicator 21). Walcha Council reported no public health incidents. Council did not comply with the SS requirements of the environmental regulator for effluent discharge. The current replacement cost of system assets was \$5M (\$6,700 per assessment), cash and investments were \$1M, debt was nil and revenue was \$0.4M (excluding capital works grants).

IMPLEMENTATION OF REQUIREMENTS OF NSW BEST-PRACTICE MANAGEMENT (BPM) FRAMEWORK

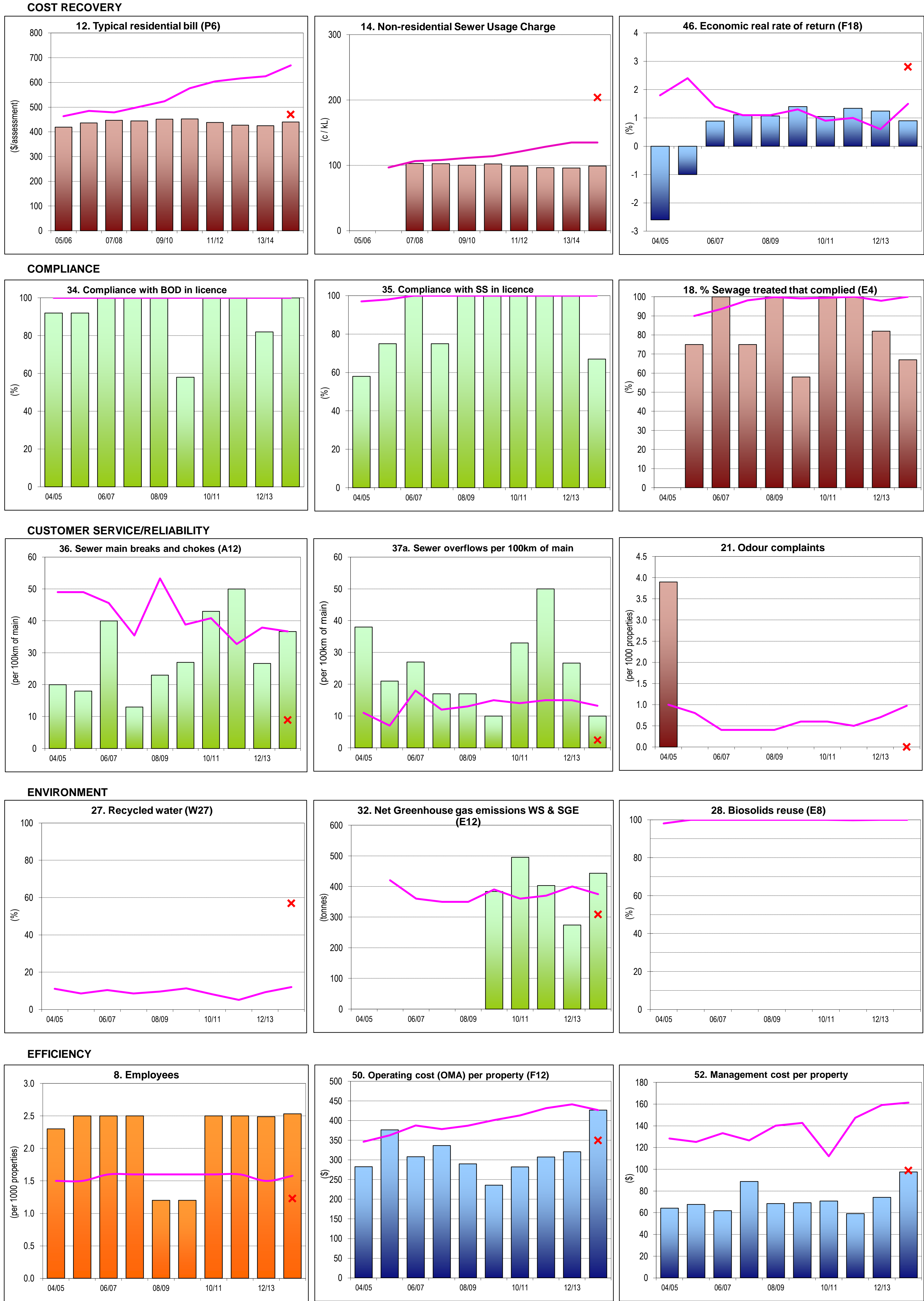
(1) Complete current strategic business plan & financial plan	YES ¹⁰	(2e) Pricing - DSP with commercial developer charges	11 Yes YES YESC ¹⁰ 89%
(2) (2a) Pricing - Full Cost Recovery without significant cross subsidies	Yes	(2f) Pricing - Liquid trade waste approvals & policy	
(2b) Pricing - Appropriate Residential Charges	Yes	(3) Complete performance reporting (by 15 September)	
(2c) Pricing - Appropriate Non-Residential Charges	Yes	(4) Integrated water cycle management strategy	
(2d) Pricing - Appropriate Trade Waste Fees and Charges	Yes	IMPLEMENTATION OF ALL REQUIREMENTS	

TRIPLE BOTTOM LINE (TBL) PERFORMANCE INDICATORS

		NWI	No.			LWU	RANKING			MEDIANS	
UTILITY	CHARACTERISTICS	C5	1	Population served: 1,700		RESULT	200 to 1,500	All LWUs		Statewide	National
		C8	2	Number of connected properties: 790	Number of assessments: 790		Note 1	Note 2		Note 3	Note 4
		C6	3	Number of residential connected properties: 690		Col 1	Col 2	Col 3		Col 4	Col 5
			4	New residences connected to sewerage (%)		%					
		A6	5	Properties served per kilometre of main		Prop/km					
		W18	6	Volume of sewage collected (ML)		ML					
			7	Renewals expenditure (% of current replacement cost of system assets)		%					
			8	Employees per 1000 properties	per 1,000 prop						
SOCIAL	CHARGES & BILLS	P4		Description of residential tariff structure:	access charge/prop; independent of land value						
		P4.1	11a	Residential access charge for 2013-14 (\$/assessment)	\$ 2013-14	425	2	1		625	573
			11	Residential access charge for 2014-15 (\$/assessment)	\$ 2014-15	440	2	1		669	
		P6	12a	Typical residential bill for 2013-14 (\$/assessment)	\$ 2013-14	425	2	1		625	683
			12	Typical residential bill for 2014-15 (\$/assessment)	\$ 2014-15	440	2	1		669	
			13	Typical developer charge for 2014-15 (\$/equivalent tenement)	\$ 2014-15					5,100	
			14	Non-residential sewer usage charge (c/kL)	c/kL	99	4	4		136	
		F6	15	Revenue per property - Sge (\$)	\$	470	4	5		846	938
	HEALTH		16	Sewerage Coverage (% of Urban Population with Reticulated Sge Service)	%	91.0	3	4		97.9	
		E3	17	Percent of sewage treated to a tertiary level (%)	%					98	91
		E4	18	Percent of sewage volume treated that was compliant (%)	%	67	4	5		100	100
		E5	19	Number of sewage treatment works compliant at all times		0 of 1					
	SERVICE LEVELS		21	Odour complaints per 1000 properties	per 1,000 prop	0.0	1	1		1.0	
		C11	22	Service complaints - sewerage per 1000 properties	per 1,000 prop	15	2	3		8	1
		C16	23a	Average sewerage interruption (minutes)	min	90	2	3		109	105
			25	Total days lost (%)	%	0.0	1	1		2.9	
ENVIRONMENTAL	NATURAL RESOURCE MANAGEMENT	W19	26	Volume of sewage collected per property (kL)	kL	194	3	3		221	204
		W26	26a	Total recycled water supplied (ML)	ML					630	1,638
		W27	27	Recycled water (% of effluent recycled)	%					12	17
		E8	28	Biosolids reuse (%)	%					100	100
			30	Energy consumption - sewerage (kWh/ML)	kWh	327	3	1		770	
			31	Renewable energy consumption (% of total energy consumption)	%	0	1	1		0	
	ENVIRONMENTAL PERFORMANCE	E12	32	Net greenhouse gas emissions - WS & Sge (net tonnes CO2 equivalents per 1000 properties)		440	4	4		370	390
			33	90 th Percentile licence limits for effluent discharge:	BOD 20 mg/L; SS 30 mg/L						
			34	Compliance with BOD in licence (%)	%	100	1	1		100	
			35	Compliance with SS in licence (%)	%	67	5	5		100	
		A14	36	Sewer main breaks and chokes (per 100 km of main)	per 100km main	37	4	3		37	20
			37a	Sewer overflows (per 100 km of main)	per 100km main	10	5	4		13	
		E13	37b	Sewer overflows reported to environmental regulator (per 100km of main)		10.0	5	5		0.8	0.4
			39	Non res & trade waste % of total sge volume	%	10	3	4		21	
ECONOMIC	FINANCE		43	Revenue from non-residential plus trade waste charges (% of total revenue)	%	22	2	2		18	
			44	Revenue from trade waste charges (% of total revenue)	%					2.0	
		F18	46	Economic real rate of return - Sge (%)	%	0.9	2	3		1.5	2.6
			46a	Return on assets - Sge (%)	%	1.8	2	2		1.3	
			48a	Loan payment per property - Sge (\$)	\$	1	2	3		90	
		F24	48b	Net profit after tax - WS & Sge (\$'000)	\$'000	-53	4	4		1180	5,345
	EFFICIENCY		49	Operating cost (OMA) per 100 km of main (\$'000)	\$'000	1,130	4	2		1,730	
		F12	50	Operating cost (OMA) per property (\$) (Note 9)	\$	427	4	4		430	405
			51	Operating cost (OMA) per kL (cents)	c/kL	220	4	4		206	
			52	Management cost per property (\$)	\$	97	3	2		161	
			53	Treatment cost per property (\$)	\$	175	4	4		155	
			54	Pumping cost per property (\$)	\$	37	1	2		68	
			55	Energy cost per property (\$)	\$	10	1	1		42	
			56	Sewer main cost per property (\$)	\$	118	5	5		47	
		F29	57	Capital Expenditure per property - Sewerage (\$)	\$	10	4	5		193	227

- NOTES :
- Col 2 rankings are on a % of LWUs basis - best reveals performance compared to similar sized LWUs (ie. Col 1 is compared with LWUs with 200 to 1,500).
 - Col 3 rankings are on a % of LWUs basis - best reveals performance compared to all LWUs (ie. Col 1 is compared with all LWUs). - see attachment.
 - Col 4 (Statewide Median) is on a % of connected properties basis- best reveals statewide performance (gives due weight to larger LWUs & reduces effect of smaller LWUs).
 - Col 5 (National Median) is the median value for the 66 utilities reporting sewerage performance in the National Performance Report 2013-14 (www.bom.gov.au).
 - LWUs are required to annually review key projections & actions in the later of their IWCM Strategy and financial plan and their Strategic Business Plan and to annually 'roll forward', review and update their 30-year total asset management plan (TAMP) and 30-year financial plan.
 - Non-residential access charge - \$440, proportional to square of size of service connection. Sewer usage charge - 99 c/kL.
 - Non-residential and trade waste volume was 10% of total sewage collected.
Non-residential revenue was 22% of revenue from access, usage & trade waste charges, indicating fair pricing of services between the residential and non-residential sectors.
 - Compliance with Total N in Licence was 100%. Compliance with Total P in Licence was 100%.
 - Operating cost (OMA)/property was \$427. Components were: management (\$97), operation (\$135), maintenance (\$184) and energy (\$10).
 - As Walcha Council's strategic business plan and financial plan are over 4 years old, it needs to prepare a 30-year IWCM Strategy and financial plan in accordance with the July 2014 IWCM Check List (www.water.nsw.gov.au).
 - BPM Framework - Council needs to implement a DSP with Developer Charges (2e).

(Results shown for 10 years together with 2013-14 Statewide Median and Top 20%)



NOTES:
1. Costs are in Jan 2014\$ except for graphs 12 and 14, which are in Jan 2015\$.

LEGEND

State Median for all years

Top 20% for 2013-14

WATER SUPPLY SYSTEM - Walcha Council serves a population of 1,700 (920 connected properties). Water is drawn from the MacDonald River to supply Walcha. Council has 1 storage dam (total capacity 80 ML). The water supply network comprises 1 conventional treatment works (5 ML/d), 3 service reservoirs (5 ML), 3 pumping stations, 4.8 ML/d delivery capacity into the distribution system, 37 km of transfer and trunk mains and 37 km of reticulation. The water supply is fully treated.

PERFORMANCE - Walcha Council achieved 70% implementation of the NSW BPM requirements. The 2014-15 typical residential bill was \$609 which was close to the statewide median of \$582 (Indicator 14). However, the economic real rate of return was negative (Indicator 43). The operating cost (OMA) per property was \$635 which was well above the statewide median of \$400 (Indicator 49). Water quality complaints were negligible compared to the statewide median of 3 (Indicator 25). Compliance was achieved for microbiological water quality (100% of the population, 1 of 1 zones compliant), chemical water quality and physical water quality. There were no failures of the chlorination system or the treatment system. Walcha Council reported no water supply public health incidents. Current replacement cost of system assets was \$17M (\$19,100 per assessment). Cash and investments were \$0M, debt was nil and revenue was \$0.6M (excluding capital works grants).

IMPLEMENTATION OF REQUIREMENTS OF NSW BEST-PRACTICE MANAGEMENT (BPM) FRAMEWORK

(1) Complete Current Strategic Business Plan & Financial Plan		YES ¹²	(3) Sound water conservation implemented	12
(2) (2a) Pricing - Full Cost Recovery, without significant cross subsidies		Yes	(4) Sound drought management implemented	12
(2b,2c) Pricing - Appropriate Residential Charges		Yes	(5) Complete performance reporting (by 15 September)	YES
(2d) Pricing - Appropriate Non-residential Charges		Yes	(6) Integrated water cycle management strategy	YESC ¹²
(2e) Pricing - DSP with Commercial Developer Charges		13	IMPLEMENTATION OF ALL REQUIREMENTS	70%

TRIPLE BOTTOM LINE (TBL) PERFORMANCE INDICATORS

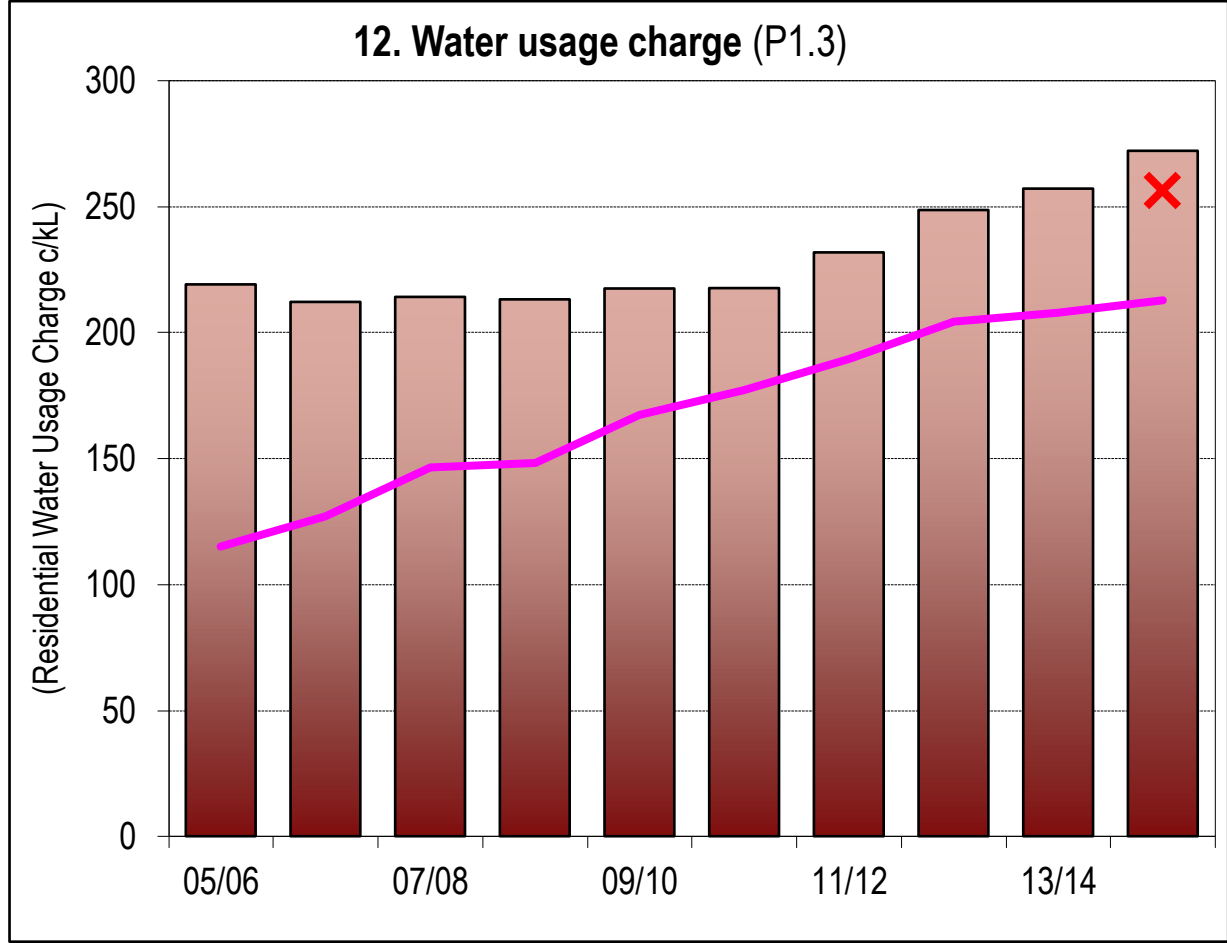
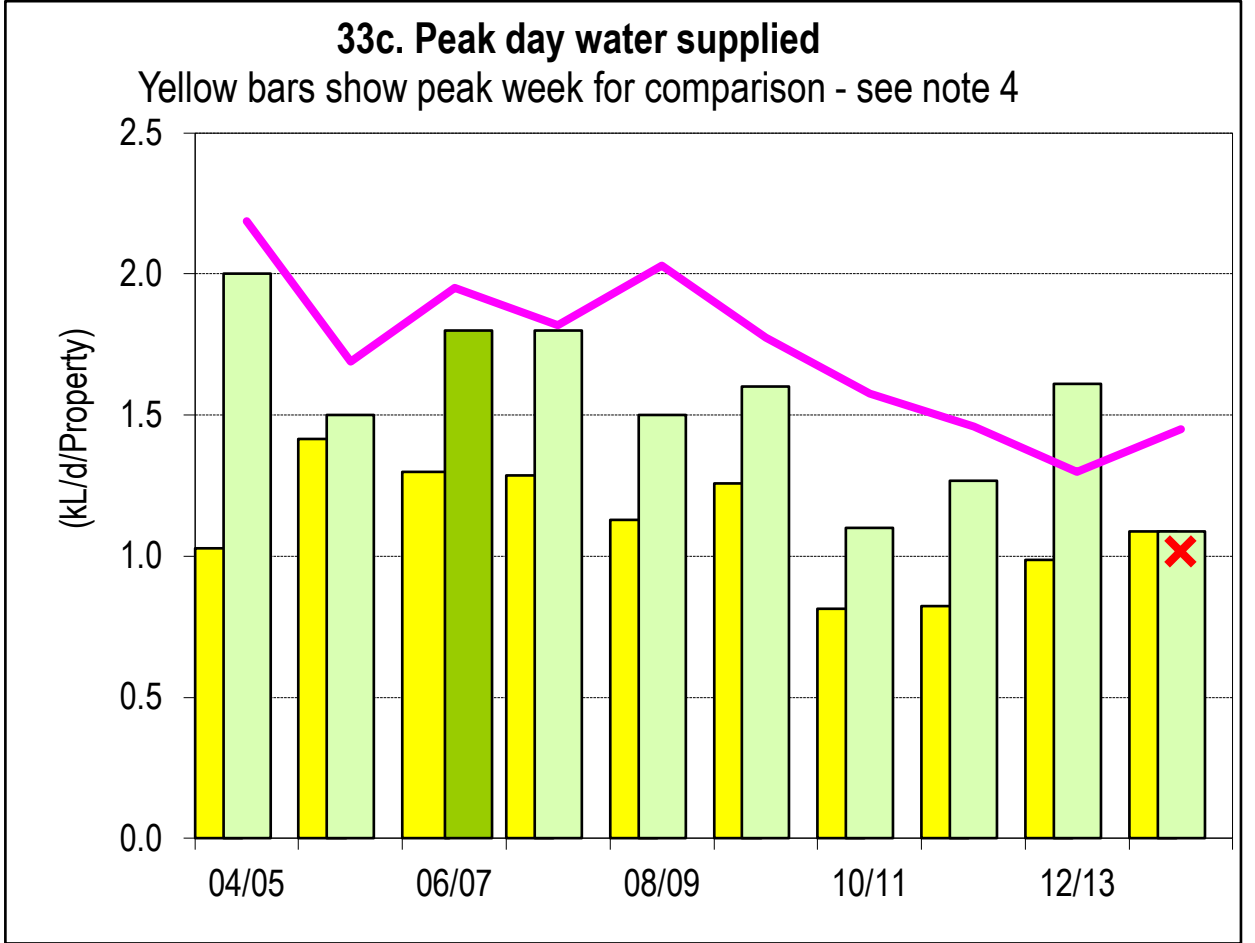
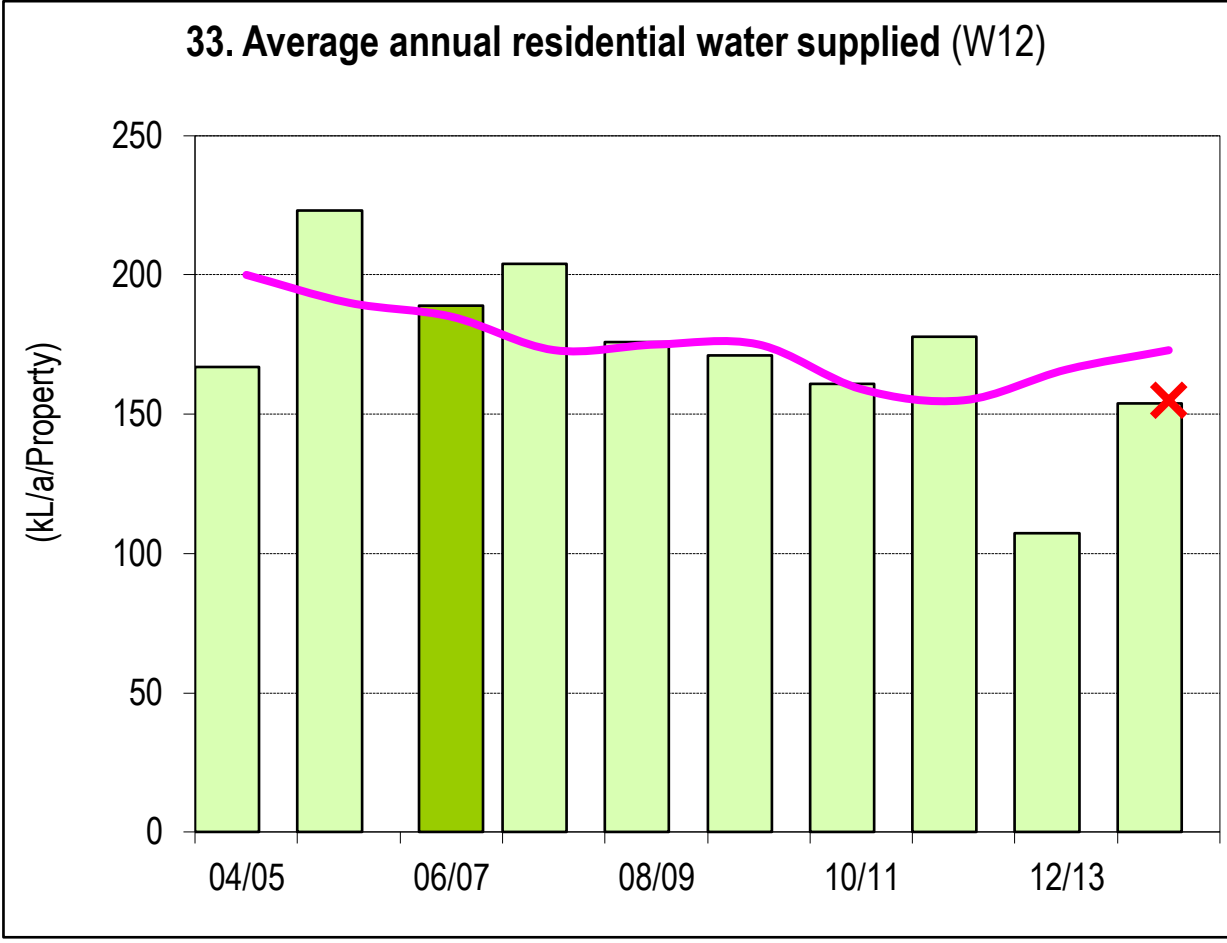
TRIPLE BOTTOM LINE (TBL) PERFORMANCE INDICATORS							LWU	RANKING		MEDIANS		
NWI No.							RESULT	200 to 1,500	All LWUs	Statewide	National	
								Note 1	Note 2	Note 3	Note 4	
							Col 1	Col 2	Col 3	Col 4	Col 5	
UTILITY	CHARACTERISTICS	C1	1	Population served:	1700							
		C4	2	Number of connected properties:	920	Number of assessments: 910						
			3	Residential connected properties (% of total)		%	82				91	
			4	New residences connected to water supply (%)		%					0.9	
		A3	5	Properties served per kilometre of water main		Prop/km	16				32	35
			6	Rainfall (% of median annual rainfall)		%	67	5	4		77	
		W11	7	Total urban water supplied at master meters (ML)		ML	190				6,800	10,280
			8	Peak week to average consumption (%)		%	224	5	5		152	
			9	Renewals expenditure (% of current replacement cost of system assets)		%					0.5	
			10	Employees per 1000 properties		per 1,000 prop	2.2	2	4		1.5	
SOCIAL	CHARGES & BILLS	P1		Residential tariff structure for 2014-15: inclining block; independent of land value; access charge \$190								
		P1.3	12a	Residential water usage charge for 2013-14 for usage <300 kL (c/kL)	c/kL (2013-14)	257	1	1	208	185		
			12	Residential water usage charge for 2014-15 for usage <300 kL (c/kL)	c/kL (2014-15)	272	1	1	213			
		P3	14a	Typical residential bill for 2013-14 (\$/assessment)	\$ (2013-14)	576	1	2	550	567		
			14	Typical residential bill for 2014-15 (\$/assessment)	\$ (2014-15)	609	1	2	582			
			15	Typical developer charge for 2014-15 (\$/equivalent tenement)	\$ (2014-15)				5,500			
		F4	16	Residential revenue from usage charges (% of residential bills)	%	68	3	3	73	68		
		F5	17	Revenue per property - water (\$/property)	\$/prop	700	4	5	795	849		
	HEALTH		18	Water Supply Coverage (% of Urban Population with reticulated WS)	% of population	91	3	5	99.6			
		H6	18a	Risk based drinking water quality plan?		No						
			19	Physical compliance achieved? Note 10		Yes	1	1				
			19a	Chemical compliance achieved? Note10		Yes	1	1				
		H4	19b	% population with chemical compliance		100	1	1	100			
			20	Microbiological (E. coli) compliance achieved? Note 10		Yes	1	1				
	SERVICE LEVELS	H3	20a	% population with microbiological compliance	% of population	100	1	1	100	100		
		C9	25	Water quality complaints per 1000 properties	per 1,000 prop	0	1	1	3	2		
		C10	26	Water service complaints per 1000 properties	per 1,000 prop	18	4	3	6	1		
		C17	27	Incidence of unplanned interruptions per 1000 properties	per 1,000 prop				50	96		
		C15	28	Average duration of interruption (min)	min				150	113		
		A8	30	Number of water main breaks per 100 km of water main	per 100km				10	13		
		31	Drought water restrictions (% of time)	% of time	16	4	4	0				
		32	Total days lost (%)	%	0.0	1	1	2.9				
ENVIRONMENTAL	NATURAL RESOURCE MANAGEMENT	W12	33	Average annual residential water supplied - STATEWIDE (kL/property)	kL/prop	154	1	1	173	185		
			33a	Average annual residential water supplied - COASTAL LWUs (kL/property)	kL/prop	154	1	2	157			
			33b	Average annual residential water supplied - INLAND LWUs (kL/property)	kL/prop				263			
		A10	34	Real losses (leakage) (L/service connection/day)	L/connection/day	60	2	2	70	79		
			35	Energy consumption per Megalitre (kiloWatt hours)	kWh	1184	5	5	620			
			36	Renewable energy consumption (% of total energy consumption)	%				0			
	E12	36a	Net greenhouse gas emissions - WS & Sge (net tonnes CO2 - equivalents per 1000 properties)	t CO2	440	4	4	370	390			
ECONOMIC	FINANCE		42	Current replacement cost per assessment (\$)	\$	19,100	2	2	16,500			
		F17	43	Economic real rate of return - Water (%)	%	-0.9	4	5	1.2	1.9		
			44	Return on assets - Water (%)	%	-0.8	5	5	1.1			
		F22	45	Net Debt to equity - WS&Sge (%)	%	-8	2	3	1	11		
		F23	46	Interest cover - WS&Sge		0	5	5	4	2		
			47	Loan payment per property - Water (\$)	\$	0	3	4	64			
		F24	47b	Net profit after tax - WS & Sge (\$'000)	\$'000	-50	4	4	1180	5345		
		EFFICIENCY		48	Operating cost (OMA) per 100km of main (\$'000)	\$'000	1,020	2	2	1,290		
	F11		49	Operating cost (OMA) per property (\$/prop) Note 8	\$/prop	635	3	4	400	439		
			50	Operating cost (OMA) per kilolitre (cents)	c/kL	307	5	5	126			
			51	Management cost (\$/prop)	\$/prop	150	3	3	140			
			52	Treatment cost (\$/prop)	\$/prop	188	3	4	58			
			53	Pumping cost (\$/prop)	\$/prop	197	4	5	43			
			54	Energy cost (\$/prop)	\$/prop	62	3	4	25			
			55	Water main cost (\$/prop)	\$/prop	85	2	3	74			
	F28		56	Capital Expenditure (\$/prop)	\$/prop	71	2	4	181	175		

NOTES :

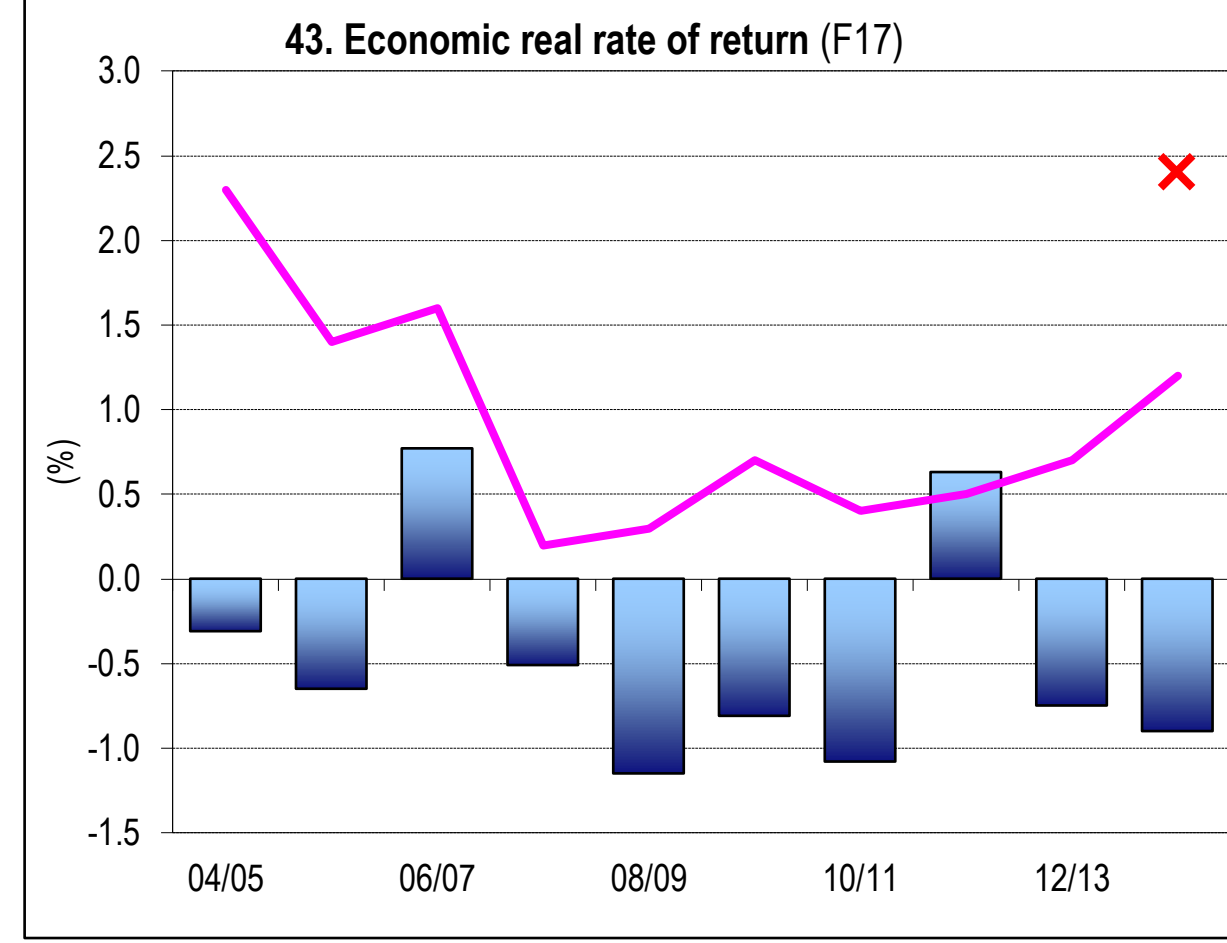
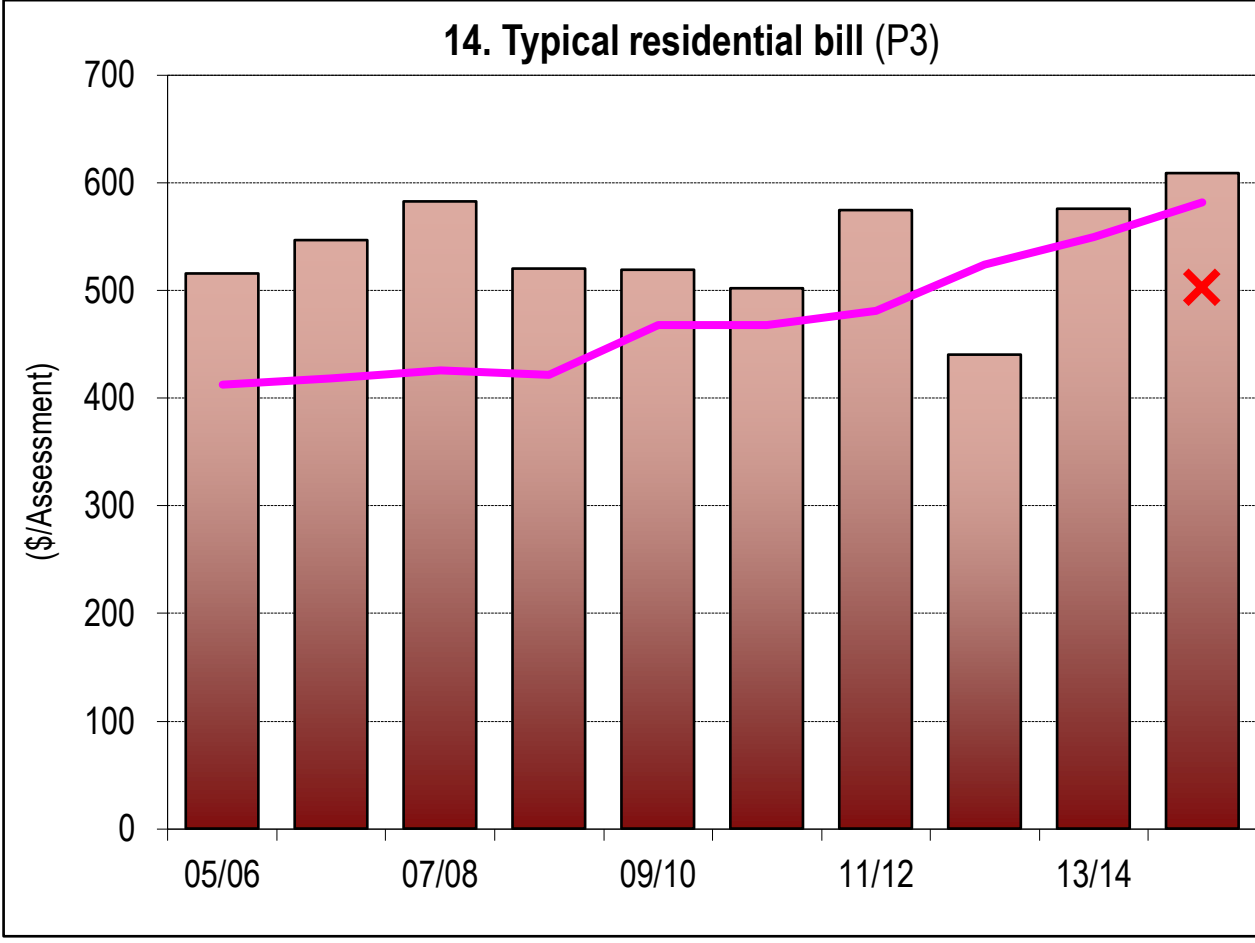
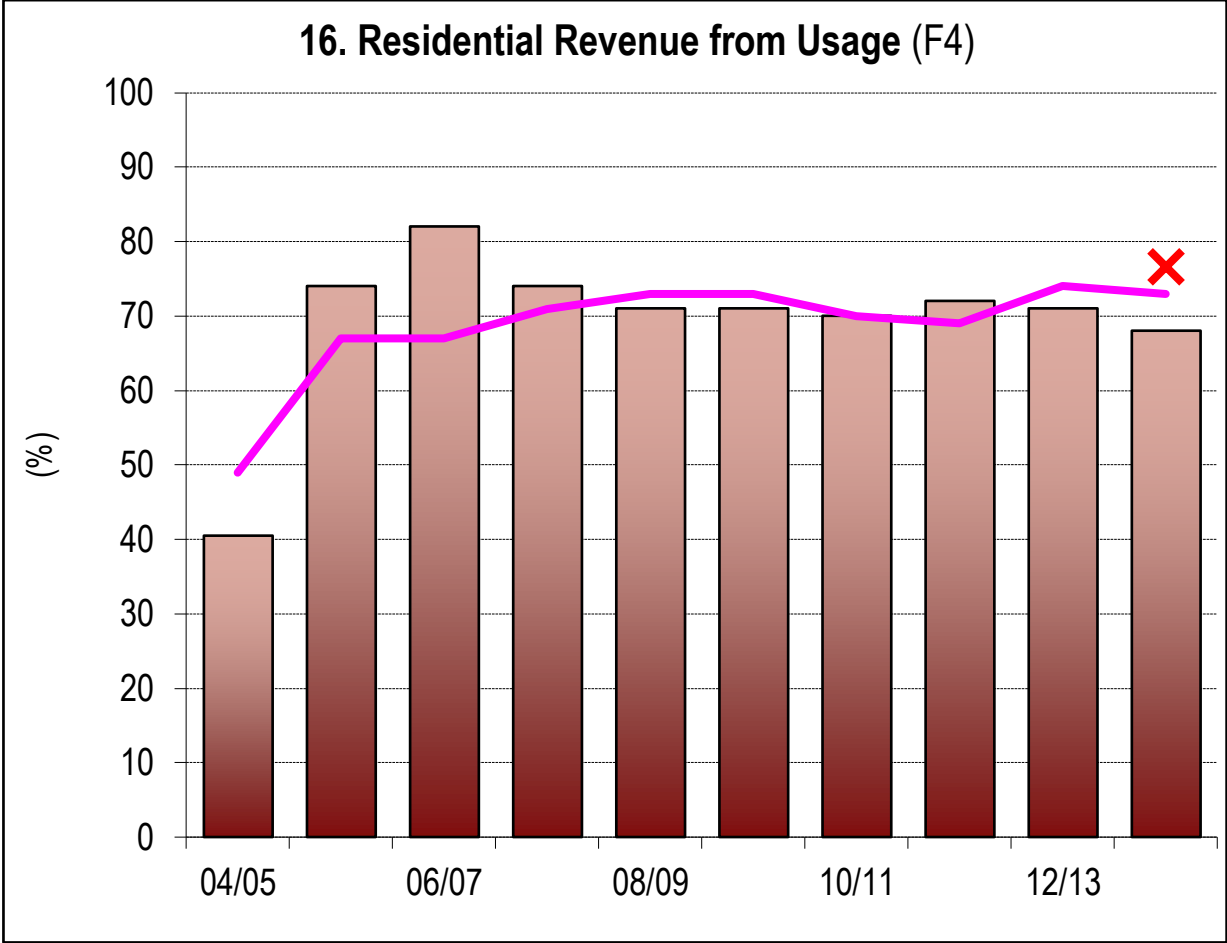
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- Col 3 rankings are on a % of LWUs basis - best reveals performance compared to all LWUs (ie. Col 1 is compared with all LWUs).
- Col 4 (Statewide Median) is on a % of connected properties basis- best reveals statewide performance (gives due weight to larger LWUs & reduces effect of smaller LWUs).
- Col 5 (National Median) is the median value for the 67 utilities reporting water supply performance in the National Performance Report 2013-14 (www.bom.gov.au).
- LWUs are required to annually review key projections & actions in the later of their IWCN Strategy and financial plan and their Strategic Business Plan and to annually 'roll forward', review and update their 30-year total asset management plan (TAMP) and 30-year financial plan.
- 2014-15 Non-residential Tariff: Access Charge based on Service Connection Size (38mm:\$690), Two Part Tariff; Usage Charge 396c/kL.
- Non-residential water supplied was 28% of potable water supplied excluding non-revenue water. Revenue from non-residential customers was not reported.
- The operating cost (OMA) per property was \$635. Components were: management (\$150), operation (\$188), maintenance (\$208), energy (\$62) & chemical (\$27).
- There were no rehabilitations.
- Compliance with ADWG 2011 for drinking water quality is shown as "Yes" if compliance has been achieved (indicators 19, 19a & 20).
- Walcha Council has 2 fully qualified water treatment operators who meet the requirements of the National Certification Framework.
- As Walcha Council's strategic business plan and financial plan are over 4 years old, it needs to prepare a 30-year IWCN Strategy and financial plan in accordance with the July 2014 IWCN Check List (www.water.nsw.gov.au). This will also address the SBP (1), Water Conservation (3) and Drought Management (4) requirements.
- BPM Framework - Council needs to Prepare a DSP with Commercial Developer Charges (2e).

(Results shown for 10 years together with 2013-14 Statewide Median and Top 20%)

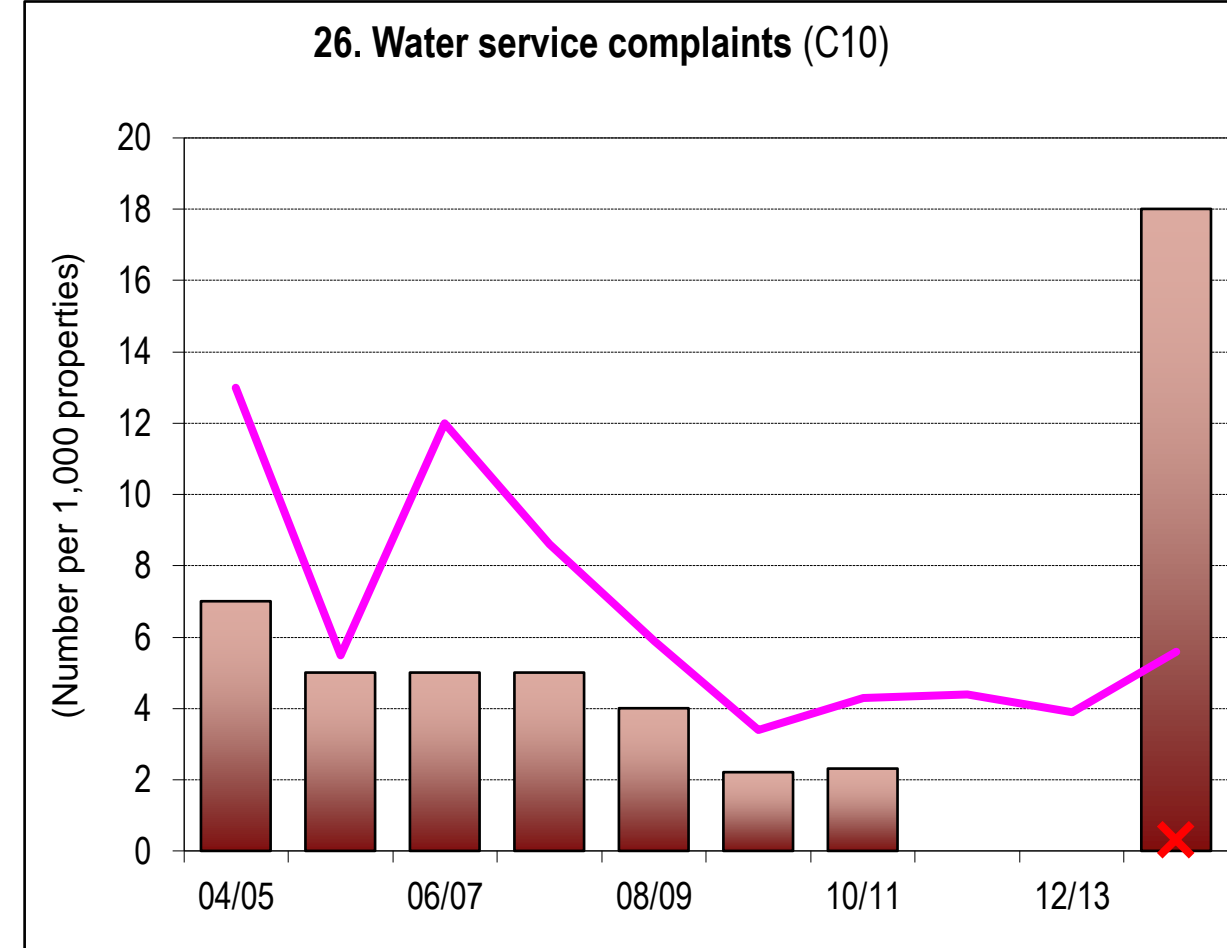
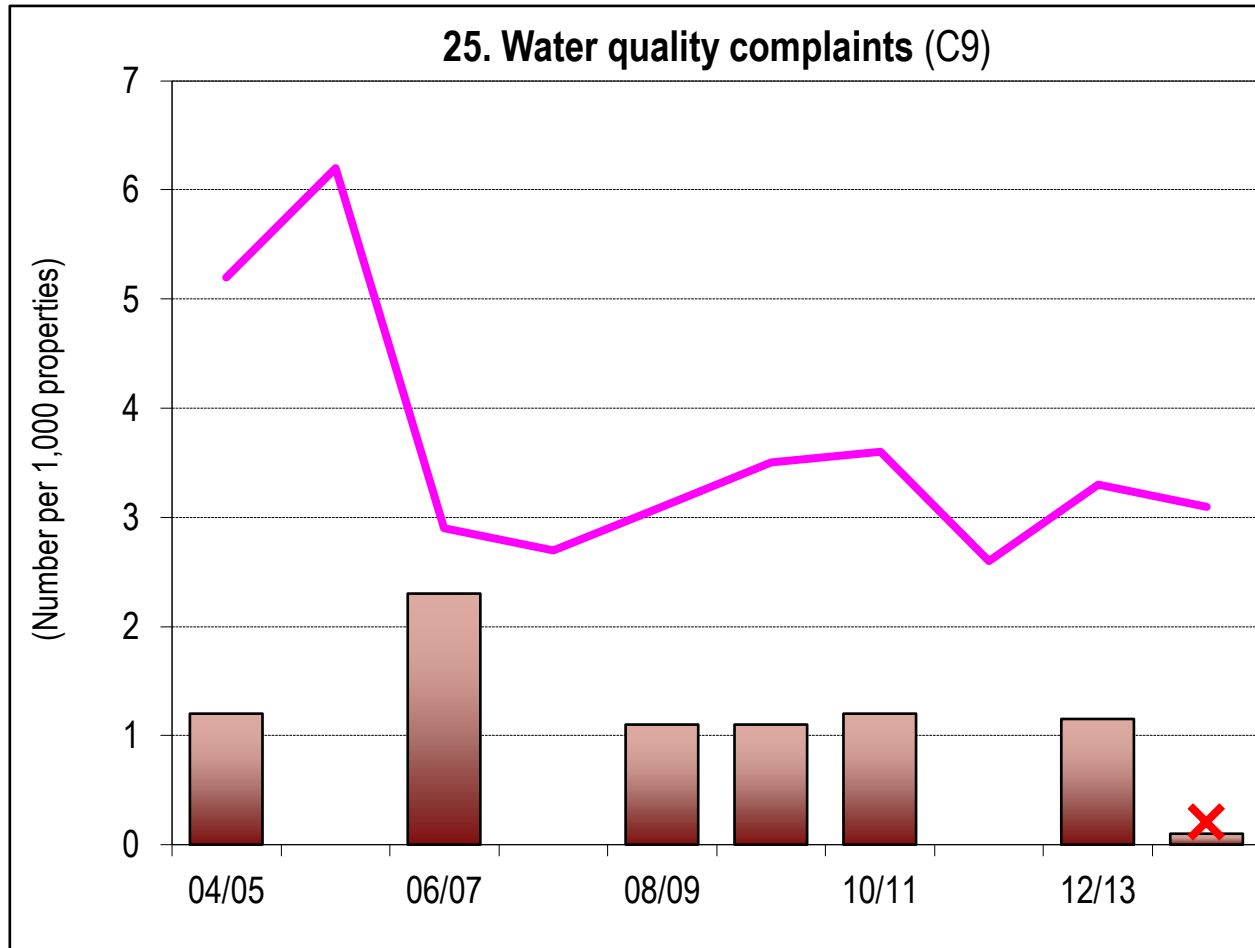
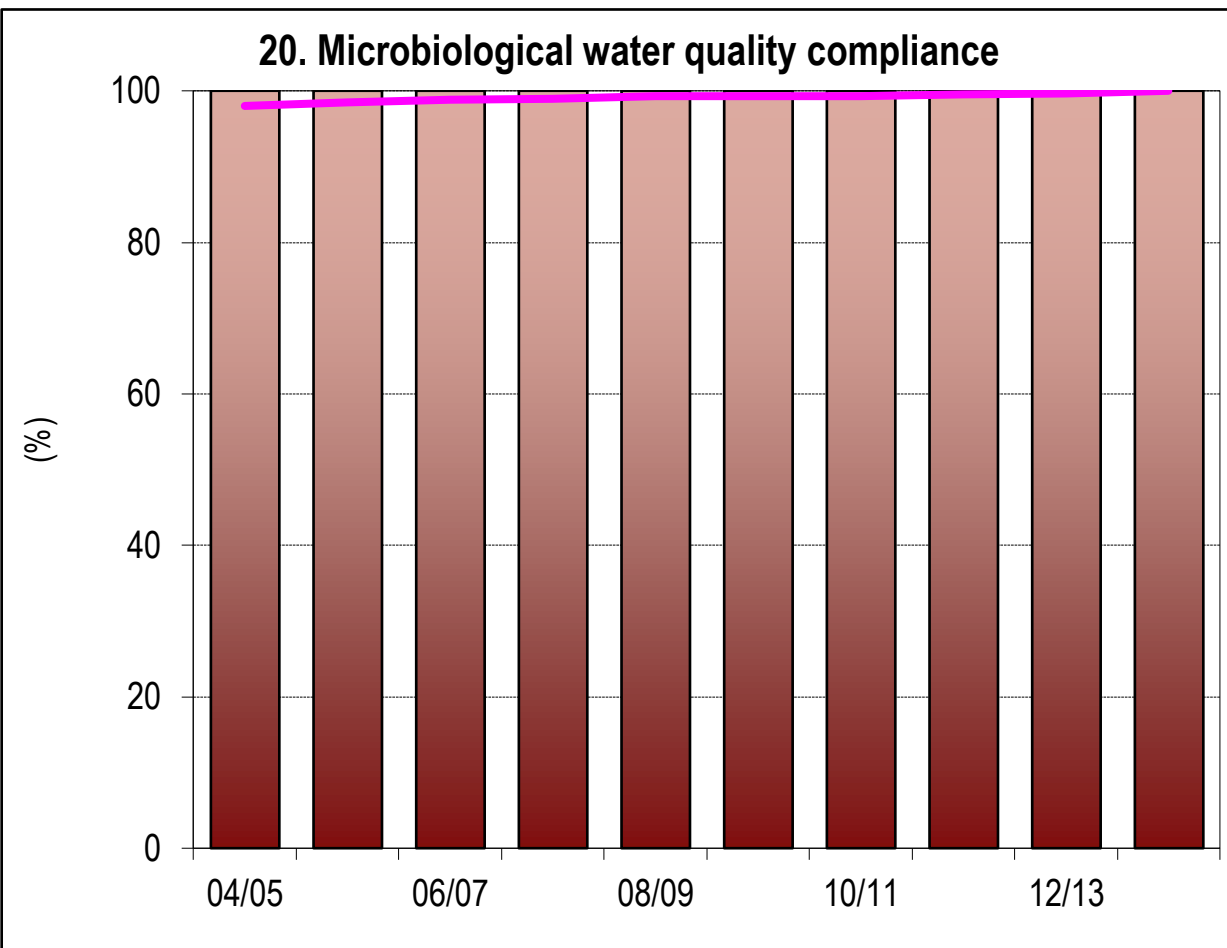
RESIDENTIAL USE/REVENUE FROM USAGE



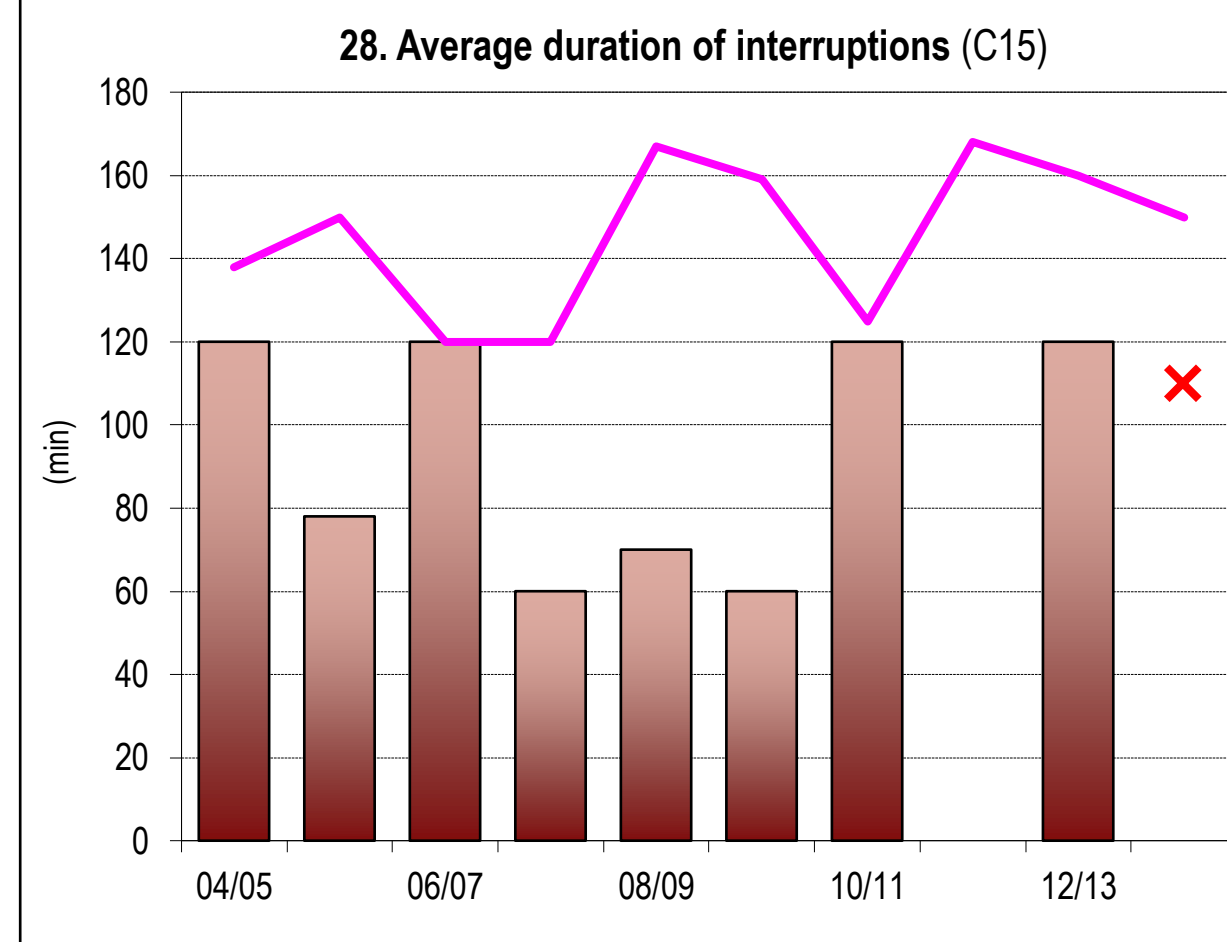
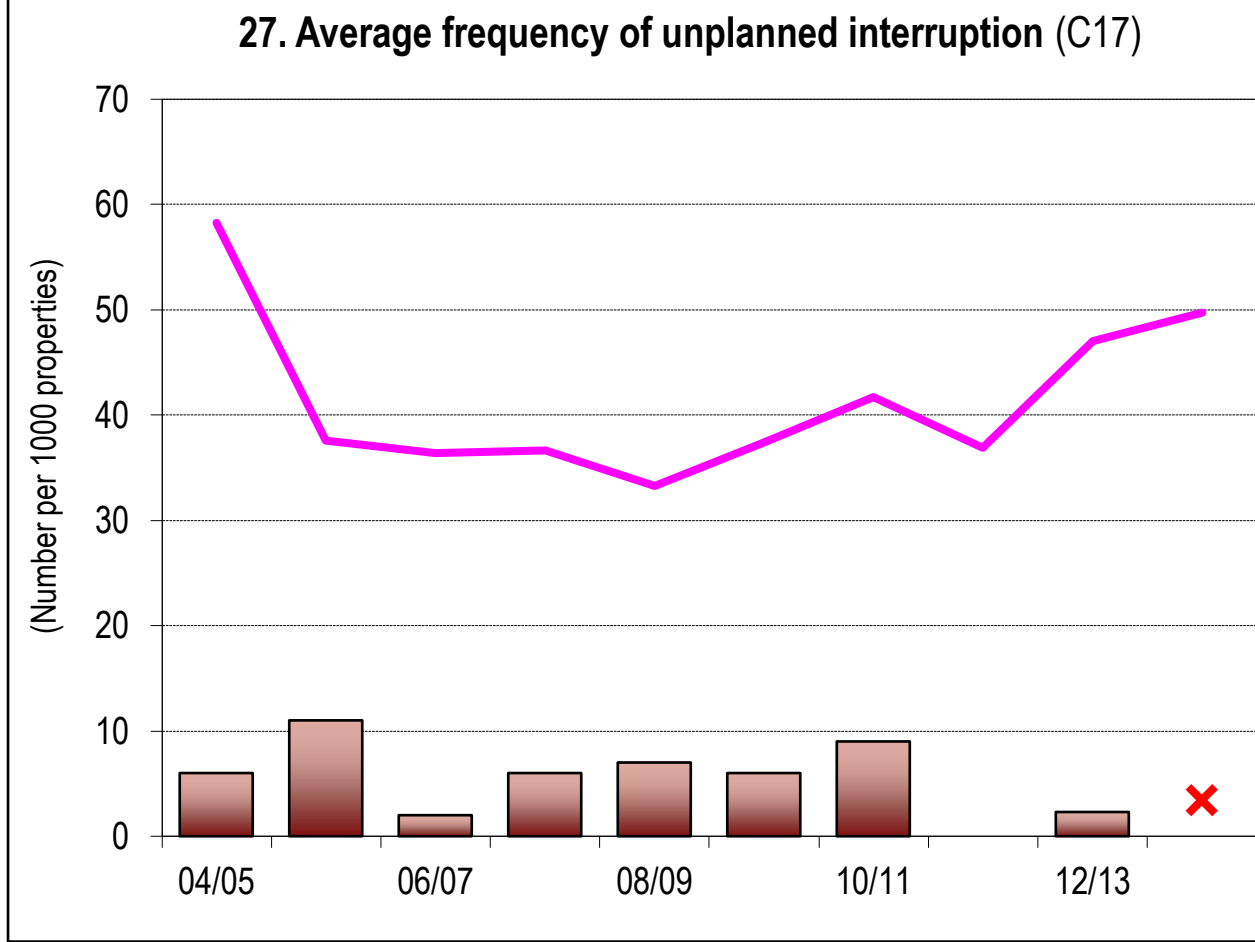
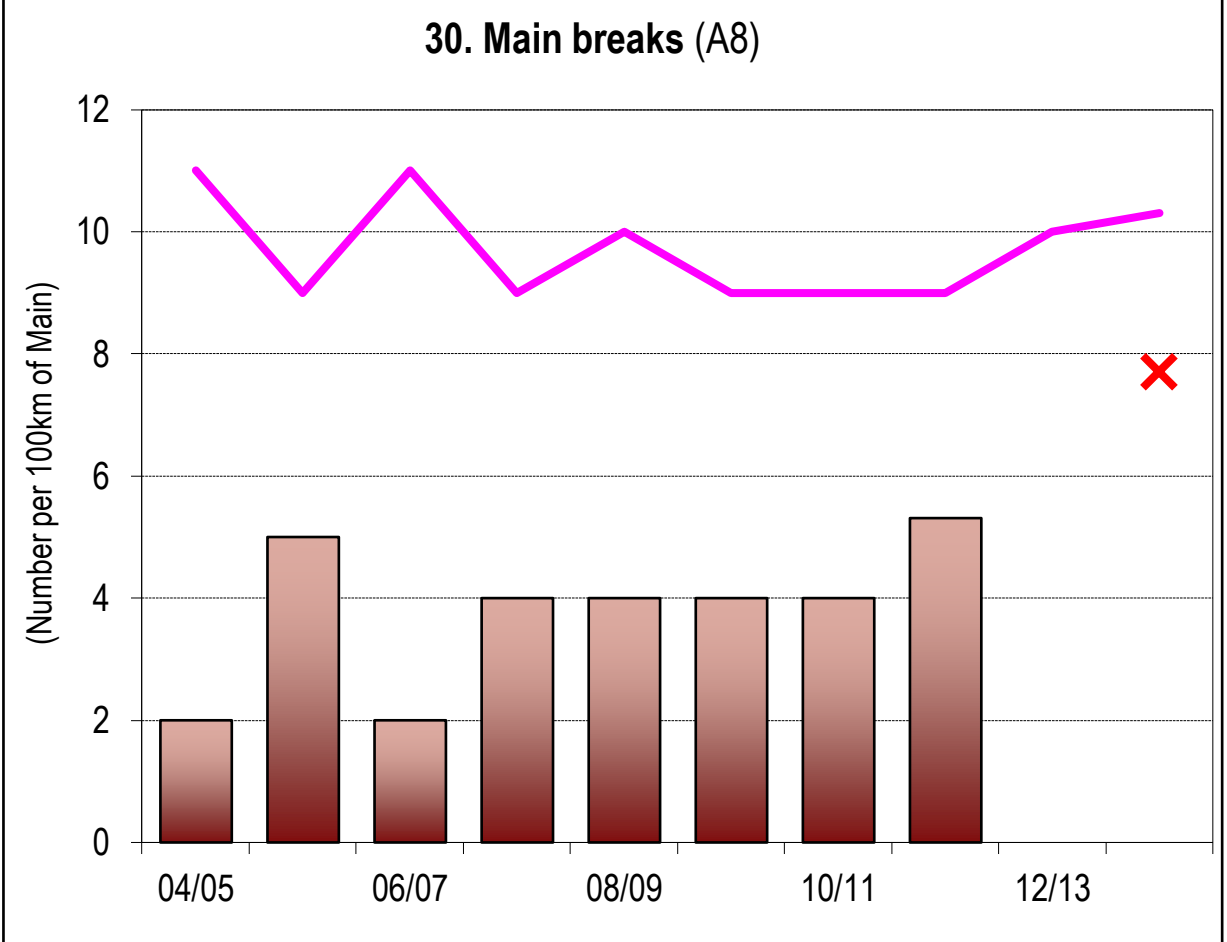
COST RECOVERY



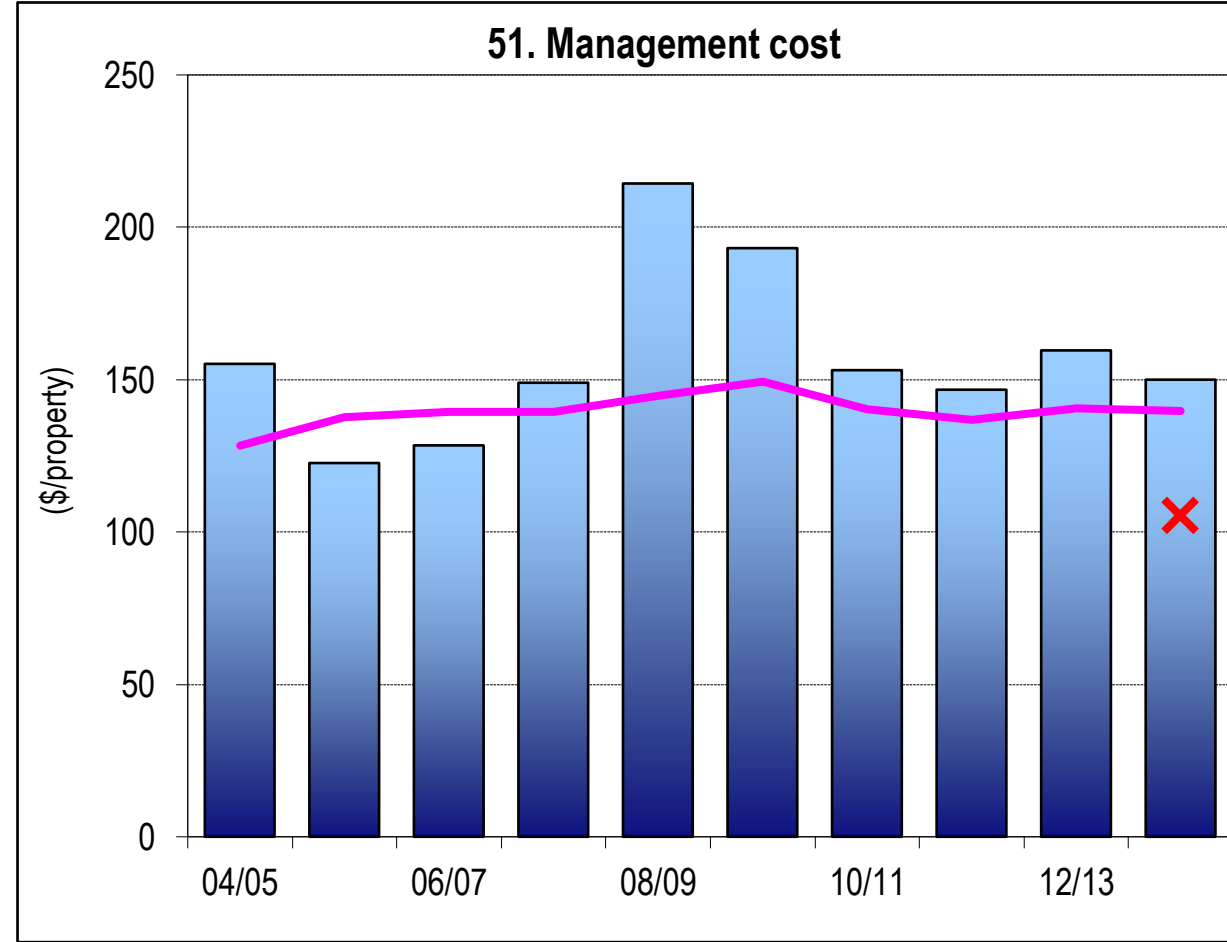
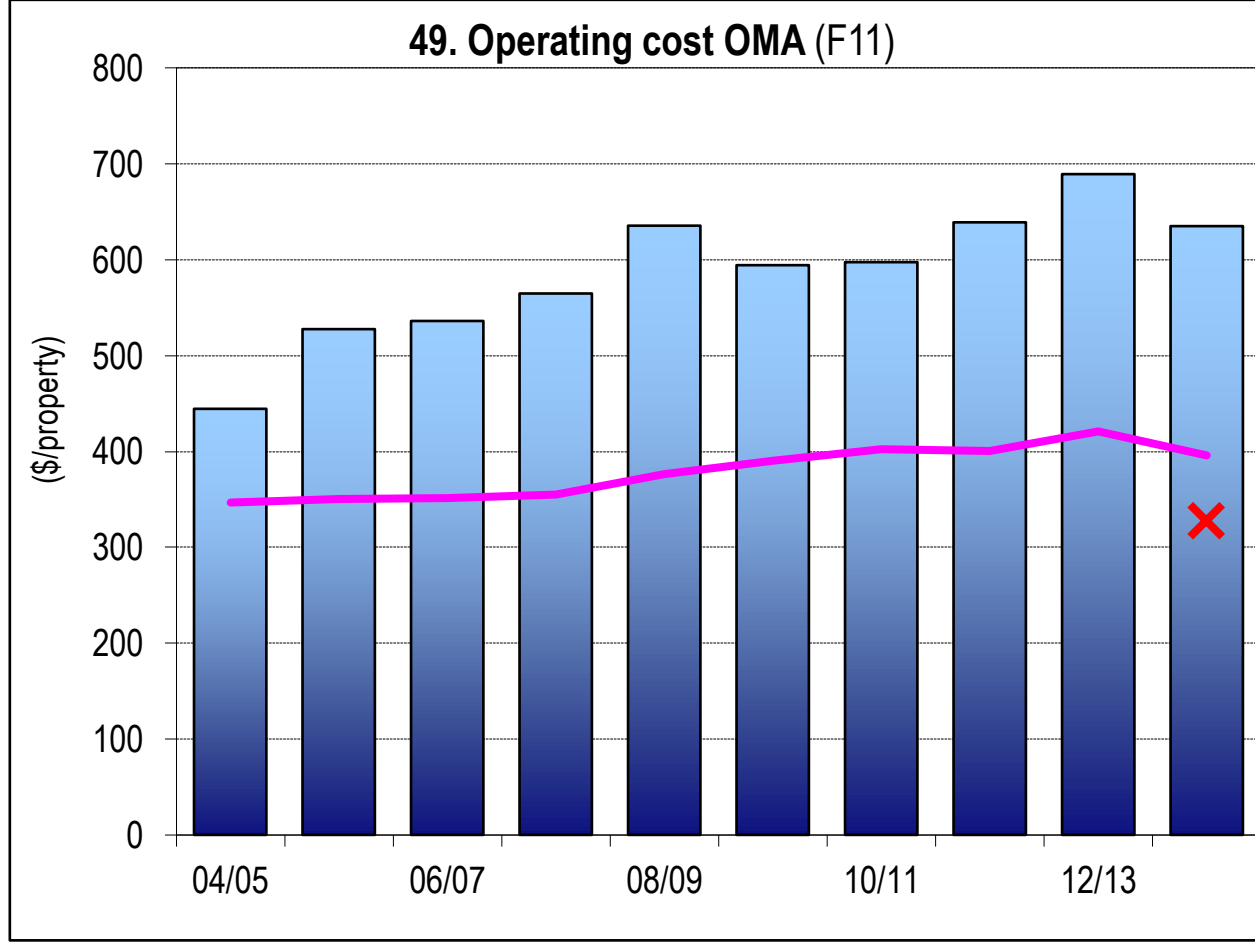
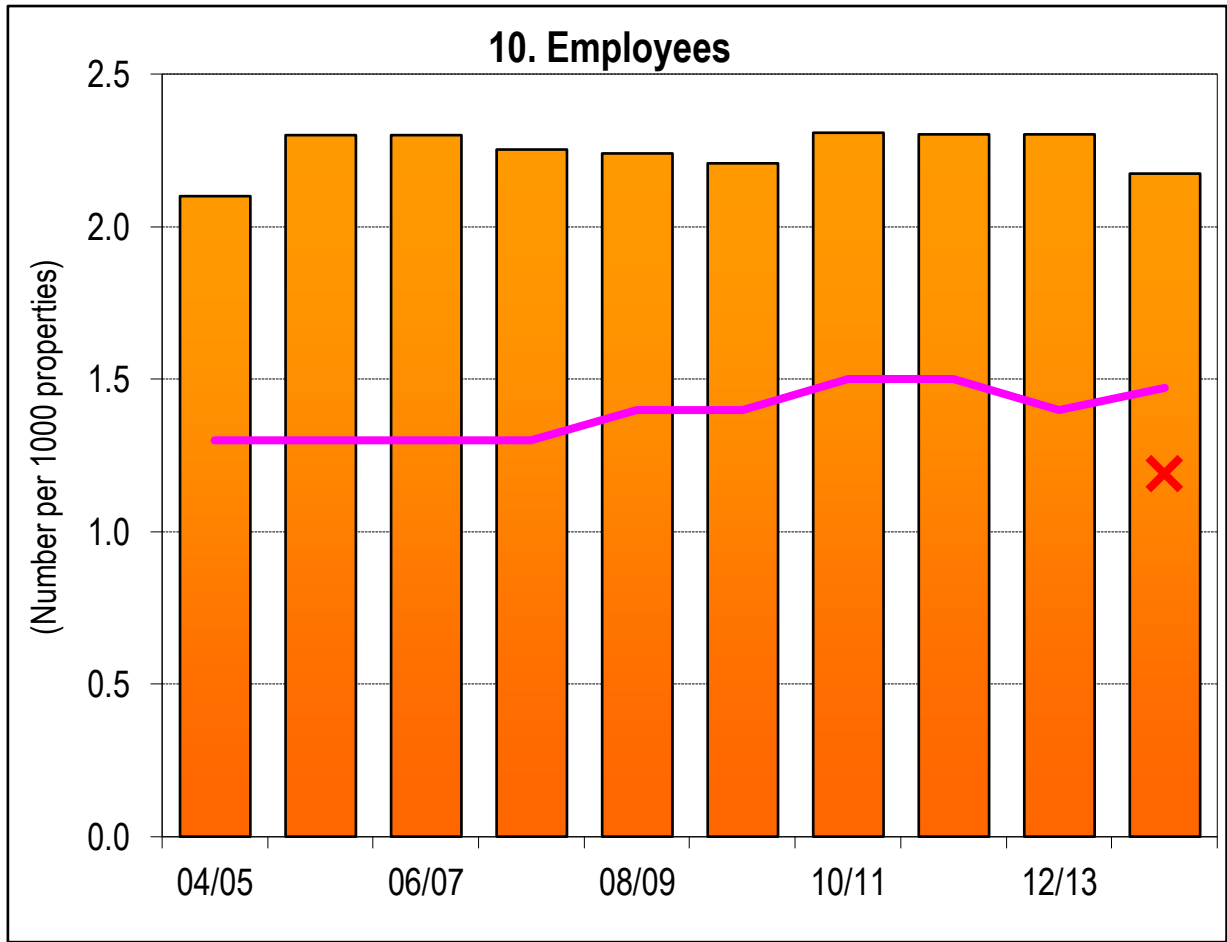
WATER QUALITY/CUSTOMER SERVICE



RELIABILITY



EFFICIENCY



NOTES:

- Costs are in Jan 2014\$ except for graphs 12 and 14, which are in Jan 2015\$.
- Microbiological water quality compliance 1999-00 to 2003-04 was on the basis of 1996 NHMRC/ARMCANZ Australian Drinking Water Guidelines for E. coli; from 2004-05 to 2010-11 compliance was on the basis of the 2004 NHMRC/NRMMC Australian Drinking Water Guidelines (ADWG) and for 2011-12 to 2013-14 compliance was on the basis of the 2011 ADWG.
- Indicators 33 and 33c - Green shading of bars shows % of time Drought Water Restrictions applied in each year:
- Indicator 33c - Yellow bars show Peak Week Water Supplied for comparison with Peak Day Water Supplied shown in green.

LEGEND

State Median for all years ———

Top 20% for 2013-14 X

0 - 30% 30-50% >50% of time