

# **Prices for Sydney Water Corporation's water, sewerage, stormwater drainage and other services**

**Water — Draft Determination**  
? SdLZ 201\$



# **Prices for Sydney Water Corporation's water, sewerage, stormwater drainage and other services**

**Draft Determination No. 1, 2012**



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# Preliminary

## 1 Background

- 1.1 Section 11 of the *Independent Pricing and Regulatory Tribunal Act 1992* (**IPART Act**) provides IPART with a standing reference to conduct investigations and make reports to the Minister on the determination of the pricing for a government monopoly service supplied by a government agency specified in schedule 1 of the IPART Act.
- 1.2 Sydney Water Corporation (**Sydney Water**) is listed as a government agency in schedule 1 of the IPART Act.
- 1.3 The services supplied by Sydney Water declared as government monopoly services under the *Independent Pricing and Regulatory Tribunal (Water, Sewerage and Drainage Services) Order 1997* (**Order**) are:
  - (a) water supply services;
  - (b) sewerage services;
  - (c) stormwater drainage services;
  - (d) trade waste services;
  - (e) services supplied in connection with the provision or upgrading of water supply and sewerage facilities for new developments and, if required, drainage facilities for such developments;
  - (f) ancillary and miscellaneous customer services for which no alternative supply exists and which relate to the supply of services of a kind referred to in paragraphs (a)-(e); and
  - (g) other water supply, sewerage and drainage services for which no alternative supply exists,(together the **Monopoly Services**).
- 1.4 In July 2008, IPART issued Determination No. 1, 2008 which determined the maximum price for the Monopoly Services for the period from 1 July 2008 to 30 June 2012. Determination No. 1, 2008 was conducted pursuant to a referral from the Minister under section 12 of the IPART Act.
- 1.5 On 23 August 2007, IPART received a letter from the then Minister for Water Utilities directing IPART under section 16A of the IPART Act to include, when determining prices, an amount representing the efficient cost of complying with the direction to Sydney Water to construct, operate and

undertake the Western Sydney Recycled Water Initiative Replacement Flows Project, consisting of:

- (a) an Advanced Water Treatment Plant with interconnecting systems from Penrith, St Marys and Quakers Hill Sewage Treatment Plants;
- (b) associated infrastructure and a pipeline from the treatment plant; and
- (c) a pilot plant at St Mary's Sewage Treatment Plant and associated infrastructure.

1.6 On 20 March 2008, IPART received a letter from the then Minister for Water Utilities directing IPART under section 16A of the IPART Act to include, when determining prices, an amount representing the efficient cost of complying with the direction to Sydney Water to undertake the Rosehill (Camelia) Recycled Water Project, which includes:

- (a) entering into agreements for the supply of recycled water to foundation customers;
- (b) purchasing recycled water from a private recycled water supplier for supply to customers; and
- (c) arranging for the private recycled water supplier to finance, construct, operate and maintain recycled water infrastructure, initially capable of supplying around 4.3 billion litres of recycled water per year, and the necessary distribution pipelines.

1.7 In determining the pricing for Sydney Water's Monopoly Services, IPART has had regard to a broad range of matters, including:

- (a) the directions issued under section 16A of the IPART Act; and
- (b) the criteria set out in section 15(1) of the IPART Act.

1.8 In accordance with section 13A of the IPART Act, IPART has established a methodology for fixing the maximum price for some of Sydney Water's Monopoly Services. Reasons for the use of a methodology, as required by the IPART Act, are set out in schedule 9.

1.9 Under section 18(2) of the IPART Act, Sydney Water may not fix a price below that determined in, or calculated in accordance with, this determination without the approval of the Treasurer.

## **2 Application of this determination**

2.1 This determination fixes the maximum prices or sets a methodology for fixing the maximum prices that Sydney Water may charge for the various Monopoly Services that it supplies.

- 2.2 This determination commences on the later of:
- (a) 1 July 2012; and
  - (b) the date that it is published in the NSW Government Gazette, (**Commencement Date**).
- 2.3 The maximum prices set out in, or calculated in accordance with, this determination apply from the Commencement Date to 30 June 2016. The maximum prices prevailing at 30 June 2016, as set out in, or calculated in accordance with, this determination, continue to apply beyond 30 June 2016 until this determination is replaced.

### 3 Replacement of Determination No. 1, 2008

Subject to clause 2.4(b) of schedule 8, this determination replaces Determination No. 1, 2008 from the Commencement Date. The replacement does not affect anything done or omitted to be done, or rights or obligations accrued, under Determination No. 1, 2008 prior to its replacement.

### 4 Monitoring

IPART may monitor the performance of Sydney Water for the purposes of:

- (a) establishing and reporting on the level of compliance by Sydney Water with this determination; and
- (b) preparing a periodic review of pricing policies in respect of the Monopoly Services supplied by Sydney Water.

### 5 Pricing schedules<sup>1</sup>

- 5.1 Schedule 1 and the tables in that schedule set out the methodology for fixing the maximum prices that Sydney Water may charge for water supply services.
- 5.2 Schedule 2 and the tables in that schedule set out the maximum prices that Sydney Water may charge for sewerage services.
- 5.3 Schedule 3 and the tables in that schedule set out the maximum prices that Sydney Water may charge for stormwater drainage services.

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<sup>1</sup> The prices in this draft determination are expressed in \$2012/13. To obtain these prices, IPART has escalated the \$2011/12 prices in the accompanying draft report by the CPI for the March quarter for 2011 to the March quarter for 2012 (**March 2011/12**). As the actual CPI for March 2011/12 is not yet available, IPART has used a forecast CPI of 2.5% for March 2011/12. The prices in the final determination will reflect the actual CPI for March 2011/12.

- 5.4 Schedule 4 and the tables in that schedule set out the maximum prices that Sydney Water may charge for recycled water and drainage services in the Rouse Hill Development Area.
- 5.5 Schedule 5 and the tables in that schedule set out the maximum prices that Sydney Water may charge for trade waste services.
- 5.6 Schedule 6 and the table in that schedule set out the maximum prices that Sydney Water may charge for ancillary and miscellaneous customer services for which no alternative supply exists.
- 5.7 Schedule 7 sets out the methodology for fixing the maximum prices that Sydney Water may charge for Minor Service Extensions.

## 6 Definitions and interpretation

Definitions and interpretation provisions used in this determination are set out in schedule 8.

## 7 Simplified outline

- 7.1 The following is a simplified outline of the maximum prices for water supply services, sewerage services and stormwater drainage services (excluding Minor Service Extensions) set out in this determination.
- 7.2 The simplified outline has been included for guidance purposes only and does not form part of this determination.

### Water and sewerage charges:

Property type	Water service charge – see	Water usage charge (Filtered Water) – see	Sewerage service charge – see	Sewerage usage charge – see
<i>Metered Residential and Mixed Multi Premises</i>				
House (including terrace) with an Individual Meter	Table 1*	Table 4	Table 8	N/A
Townhouse				
▼ Individual Meter	Table 1*	Table 4	Table 8	N/A
▼ Common Meter	Table 2*	Table 4#	Table 8	N/A
Unit/Flat/Apartment				
▼ Individual Meter	Table 1*	Table 4	Table 8	N/A
▼ Common Meter	Table 2*	Table 4#	Table 8	N/A

Property type	Water service charge – see	Water usage charge (Filtered Water) – see	Sewerage service charge – see	Sewerage usage charge – see
<i>Metered Residential and Mixed Multi Premises</i>				
Company Title Dwelling				
▼ Individual Meter	Table 1*	Table 4	Table 8	N/A
▼ Common Meter	Table 2*	Table 4#	Table 8	N/A
Dual occupancy				
▼ Individual Meter	Table 1*	Table 4	Table 8	N/A
▼ Common Meter	Table 2*	Table 4#	Table 8	N/A
All other Residential dwellings				
▼ Individual Meter	Table 1*	Table 4	Table 8	N/A
▼ Common Meter	Table 2*	Table 4#	Table 8	N/A
Premises within a Mixed Multi Premises (ie mixture of Residential and Non Residential)				
▼ Individual Meter	Table 1*	Table 4	Table 8	N/A
▼ Common Meter	Table 2*	Table 4#	Table 8	N/A
<i>Metered Non Residential</i>				
20mm Meter (Individual Meter)	Table 1*	Table 4	Table 8	Table 10
25mm or above Meter (Individual Meter)	Table 3*	Table 4	Table 9	Table 10
20mm or above Meter (Common Meter)	Table 3*#	Table 4#	Table 9#	Table 10#
Exempt Land	N/A	Table 4	N/A	Table 10
<i>Unmetered Properties</i>				
Residential	Table 6*	N/A	Table 8	N/A
Non Residential	Table 7*	N/A	Table 8	N/A

\* From 1 July 2013, the water service charge will be adjusted for costs Sydney Water pays to SDP for desalinated water when the desalination plant operates.

# Service charge divided by number of Properties in the Multi Premises / usage charges are generally split across all Properties in the Multi Premises.

**Stormwater drainage charges (only apply if Property is in a Stormwater Drainage Area):**

<b>Property type</b>	<b>Stormwater drainage charge - see</b>
<i>Residential and Mixed Multi Premises</i>	
Standalone dwellings (eg house, terraces, townhouses) and vacant land	Table 12
Multi Premises (includes Mixed Multi Premises with a mixture of Residential and Non Residential) (eg flats, apartments, units, dual occupancy dwellings)	Table 11
New Properties in the Rouse Hill Development Area	Table 14
<i>Non Residential</i>	
All Non Residential Properties (eg factory units, business strata units, shopping centres)	Table 13 <sup>^</sup> #
New Properties in the Rouse Hill Development Area	Table 14

<sup>^</sup> Charge depends on land size.

# For Non Residential Multi Premises, service charge is divided by the number of Properties in that Multi Premises.

## Schedule 1 Water supply services

### 1 Application

This schedule sets out the methodology for fixing the maximum prices that Sydney Water may charge for services under paragraph (a) of the Order (water supply services), other than those set out in schedule 7 (Minor Service Extensions).

### 2 Categories for pricing purposes

Prices for water supply services have been determined for 5 categories:

- (a) Metered Properties;
- (b) Unmetered Properties;
- (c) Metered Standpipes;
- (d) Properties not connected to the Water Supply System; and
- (e) Exempt Land.

### 3 Maximum prices for water supply services to Residential Properties and Metered Properties within Mixed Multi Premises

#### 3.1 Maximum prices for Metered Residential Properties and Metered Properties within Mixed Multi Premises

- (a) The maximum price that Sydney Water may levy for the provision of water supply services to a Metered Residential Property or a Metered Property within a Mixed Multi Premises is the sum of:
  - (1) the water service charge levied in accordance with this clause 3; and
  - (2) the water usage charge levied in accordance with clause 5.
- (b) For the avoidance of doubt, a Strata Title Lot, a Company Title Dwelling or a Community Development Lot (as the case may be) with an Individual Meter within a Multi Premises is each deemed to be a single Metered Property for the purposes of levying water charges under this schedule and clause 3.2 (and not clause 3.3) of this schedule is to apply to that Strata Title Lot, Company Title Dwelling or Community Development Lot (as the case may be).

### 3.2 Metered Residential Properties and Properties within a Mixed Multi Premises with Individual Meter

The maximum water service charge that Sydney Water may levy for a Billing Cycle for the provision of water to a Metered Residential Property or a Property within a Mixed Multi Premises where that Property:

- (a) is connected to the Water Supply System; and
- (b) has an Individual Meter,

is:

- (1) For the Period from the Commencement Date to 30 June 2013:

$$\frac{SC}{q}$$

Where:

SC = the water service charge in Table 1 corresponding to the applicable Period in that table; and

q = the number of Quarters in that Period.

- (2) For each Period from 1 July 2013 to 30 June 2016:

$$\frac{SC}{q} + \frac{\Delta P_{SDPA}^{t/t+1}}{q}$$

Where:

SC = the water service charge in Table 1 corresponding to the applicable Period in that table;

q = the number of Quarters in that Period; and

$\Delta P_{SDPA}^{t/t+1}$  = the adjustment to the water service charge to reflect charges paid by Sydney Water to SDP under the SDP Determination (calculated in accordance with clause 10.1 of this schedule 1).

### 3.3 Metered Residential Multi Premises and Mixed Multi Premises with a Common Meter

- (a) The maximum water service charge that Sydney Water may levy for a Billing Cycle for the provision of water to a Property within a Residential Multi Premises or a Mixed Multi Premises where that Multi Premises:

- (1) is connected to the Water Supply System; and
- (2) has a Common Meter,

is:



(A) For the Period from the Commencement Date to 30 June 2013:

$$\frac{SC}{q}$$

Where:

SC = the water service charge in Table 2 corresponding to the applicable Period in that table; and

q = the number of Quarters in that Period.

(B) For each Period from 1 July 2013 to 30 June 2016:

$$\frac{SC}{q} + \frac{\Delta P_{SDPA}^{t/t+1}}{q}$$

Where:

SC = the water service charge in Table 2 corresponding to the applicable Period in that table;

q = the number of Quarters in that Period; and

$\Delta P_{SDPA}^{t/t+1}$  = the adjustment to the water service charge to reflect charges paid by Sydney Water to SDP under the SDP Determination (calculated in accordance with clause 10.1 of this Schedule 1).

(b) The relevant water service charge is to be levied:

- (1) in the case of a Strata Title Building, on each Strata Title Lot; or
- (2) in the case of a Community Parcel, on each Community Development Lot; or
- (3) in the case of a Company Title Building, on each Company Title Dwelling; or
- (4) in the case of any other type of Multi Premises (apart from a Boarding House), each Property within that Multi Premises; or
- (5) in the case of a Boarding House, based on Sydney Water's usual practice at the Commencement Date.

## 4 Maximum prices for water supply services to Metered Non Residential Properties

### 4.1 Maximum prices for Metered Non Residential Properties

- (a) The maximum price that Sydney Water may levy for the provision of water supply services to a Metered Non Residential Property (other than a Non Residential Property within a Mixed Multi Premises) is the sum of:
- (1) the water service charge levied in accordance with this clause 4; and
  - (2) the water usage charge levied in accordance with clause 5.
- (b) For the avoidance of doubt, a Strata Title Lot, a Company Title Dwelling or a Community Development Lot (as the case may be) with an Individual Meter within a Multi Premises is each deemed to be a single Metered Property for the purposes of levying water charges under this schedule and clause 4.2 or 4.3 (and not clause 4.4) of this schedule is to apply to that Strata Title Lot, Company Title Dwelling or Community Development Lot (as the case may be).

### 4.2 Metered Non Residential Property with an Individual Meter of 20mm

- (a) The maximum water service charge that Sydney Water may levy for a Billing Cycle for the provision of water to a Metered Non Residential Property where that Property:
- (1) is connected to the Water Supply System; and
  - (2) has an Individual Meter of 20mm,

is:

- (A) For the Period from the Commencement Date to 30 June 2013:

$$\frac{SC}{q}$$

Where:

SC = the water service charge in Table 1 corresponding to the applicable Period in that table; and

q = the number of Quarters in that Period.

- (B) For each Period from 1 July 2013 to 30 June 2016:

$$\frac{SC}{q} + \frac{\Delta P_{SDPA}^{t/t+1}}{q}$$

Where:

SC = the water service charge in Table 1 corresponding to the applicable Period in that table;

q = the number of Quarters in that Period; and

$\Delta P_{SDPA}^{t/t+1}$  = the adjustment to the water service charge to reflect charges paid by Sydney Water to SDP under the SDP Determination (calculated in accordance with clause 10.1 of this Schedule 1).

#### 4.3 Metered Non Residential Property with an Individual Meter or Individual Meters of 25mm or greater

(a) The maximum water service charge that Sydney Water may levy for a Billing Cycle for the provision of water to a Metered Non Residential Property where that Property:

- (1) is connected to the Water Supply System; and
- (2) has an Individual Meter of 25mm or greater,

is:

(A) For the Period from the Commencement Date to 30 June 2013:

$$\frac{SC}{q}$$

Where:

SC = the water service charge in Table 3 for each Meter, corresponding to the applicable Meter size and Period in that table; and

q = the number of Quarters in that Period.

(B) For each Period from 1 July 2013 to 30 June 2016:

$$\frac{SC}{q} + \frac{\Delta P_{SDPB}^{t/t+1}}{q}$$

Where:

SC = the water service charge in Table 3 for each Meter, corresponding to the applicable Meter size and Period in that table;

q = the number of Quarters in that Period; and

$\Delta P_{SDPB}^{t/t+1}$  = the adjustment to the water service charge to reflect charges paid by Sydney Water to SDP under the SDP Determination (calculated in accordance with clause 10.2 of this Schedule 1).

#### 4.4 Metered Non Residential Multi Premises with a Common Meter

(a) The maximum water service charge that Sydney Water may levy for a Billing Cycle for the provision of water to a Property within a Non Residential Multi Premises where that Multi Premises:

- (1) is connected to the Water Supply System; and
- (2) has a Common Meter,

is:

(A) For the Period from the Commencement Date to 30 June 2013:

$$\frac{SC}{q} \times \frac{1}{n}$$

Where:

SC = the water service charge in Table 3 for each Common Meter corresponding to the applicable Meter size and Period in that table;

q = the number of Quarters in that Period; and

n = the number of Properties within that Multi Premises.

(B) For each Period from 1 July 2013 to 30 June 2016:

$$\left( \frac{SC}{q} \times \frac{1}{n} \right) + \left( \frac{\Delta P_{SDPB}^{t/t+1}}{q} \times \frac{1}{n} \right)$$

Where:

SC = the water service charge in Table 3 for each Common Meter corresponding to the applicable Meter size and Period in that table;

q = the number of Quarters in that Period;

n = the number of Properties within that Multi Premises; and

$\Delta P_{SDPB}^{t/t+1}$  = the adjustment to the water service charge to reflect charges paid by Sydney Water to SDP under the SDP Determination (calculated in accordance with clause 10.2 of this Schedule 1).

- (b) The relevant water service charge is to be levied on:
  - (1) in the case of a Strata Title Building, each Strata Title Lot; or
  - (2) in the case of a Community Parcel, each Community Development Lot; or
  - (3) in the case of a Company Title Building, each Company Title Dwelling; or
  - (4) in the case of any other type of Multi Premises, each Property within that Multi Premises.

## 5 Maximum water usage charge

- (a) The maximum water usage charge that Sydney Water may levy for the provision of water to a Metered Property or a Metered Multi Premises is the sum of the following:
  - (1) the water usage charge in Table 4 for the applicable Period, multiplied by each kL of Filtered Water used during the relevant Meter Reading Period; and
  - (2) the water usage charge in Table 5 for the applicable Period, multiplied by each kL of Unfiltered Water used during the relevant Meter Reading Period.
- (b) The water usage charge for a Property with an Individual Meter is to be levied on the owner of that Property.
- (c) The water usage charge for a premises with a Common Meter is to be levied on:
  - (1) in the case of a Strata Title Building, the Owners Corporation of that Strata Title Building; or
  - (2) in the case of a Community Parcel, the owner of that Community Parcel; or
  - (3) in the case of a Company Title Building, the owner of that Company Title Building, or
  - (4) in the case of any other type of Multi Premises, the owner of that Multi Premises.

## 6 Maximum prices for water supply services to Unmetered Properties connected to the Water Supply System

### 6.1 Unmetered Residential Property

The maximum price that Sydney Water may levy for a Billing Cycle for the provision of water supply services to an Unmetered Residential Property connected to the Water Supply System is the water service charge calculated as follows:

- (a) For the Period from the Commencement Date to 30 June 2013:

$$\frac{SC}{q}$$

Where:

SC = the water service charge in Table 6, corresponding to the applicable Period in that table; and

q = the number of Quarters in that Period.

- (b) For each Period from 1 July 2013 to 30 June 2016:

$$\frac{SC}{q} + \frac{\Delta P_{SDPA}^{t/t+1}}{q}$$

Where:

SC = the water service charge in Table 6, corresponding to the applicable Period in that table;

q = the number of Quarters in that Period; and

$\Delta P_{SDPA}^{t/t+1}$  = the adjustment to the water service charge to reflect charges paid by Sydney Water to SDP under the SDP Determination (calculated in accordance with clause 10.1 of this Schedule 1).

### 6.2 Unmetered Non Residential Property

The maximum price that Sydney Water may levy for a Billing Cycle for the provision of water supply services to an Unmetered Non Residential Property connected to the Water Supply System is the water service charge calculated as follows:

- (a) For the Period from the Commencement Date to 30 June 2013:

$$\frac{SC}{q}$$

Where:

SC = the water service charge in Table 7, corresponding to the applicable Period in that table; and

q = the number of Quarters in that Period.

(b) For each Period from 1 July 2013 to 30 June 2016:

$$\frac{SC}{q} + \frac{\Delta P_{SDPA}^{t/t+1}}{q}$$

Where:

SC = the water service charge in Table 7, corresponding to the applicable Period in that table;

q = the number of Quarters in that Period; and

$\Delta P_{SDPA}^{t/t+1}$  = the adjustment to the water service charge to reflect charges paid by Sydney Water to SDP under the SDP Determination (calculated in accordance with clause 10.1 of this Schedule 1).

## **7 Maximum prices for water supply services to Metered Standpipes**

### **7.1 Maximum prices for Metered Standpipes**

The maximum price that Sydney Water may levy for the provision of water supply services to a Metered Standpipe is the sum of:

- (a) the water service charge levied in accordance with this clause 7; and
- (b) the water usage charge levied in accordance with clause 5 as if the Metered Standpipe is a Metered Property.

### **7.2 Metered Standpipe**

The maximum water service charge that Sydney Water may levy for a Billing Cycle for the provision of water to a Metered Standpipe connected to the Water Supply System is:

- (a) For the Period from the Commencement Date to 30 June 2013:

$$\frac{SC}{q}$$

Where:

SC = the water service charge in Table 1, corresponding to the applicable Period in that table; and

q = the number of Quarters in that Period.

(b) For each Period from 1 July 2013 to 30 June 2016:

$$\frac{SC}{q} + \frac{\Delta P_{SDPA}^{t/t+1}}{q}$$

Where:

SC = the water service charge in Table 1, corresponding to the applicable Period in that table;

q = the number of Quarters in that Period; and

$\Delta P_{SDPA}^{t/t+1}$  = the adjustment to the water service charge to reflect charges paid by Sydney Water to SDP under the SDP Determination (calculated in accordance with clause 10.1 of this Schedule 1).

## 8 Maximum prices for water supply services to a Property not connected to the Water Supply System

The maximum water service charge and water usage charge that Sydney Water may levy for a Property not connected to the Water Supply System is zero for the period from the Commencement Date until the date that this determination ceases to apply.

## 9 Maximum prices for water supply services to Exempt Land

The maximum price that Sydney Water may levy for the provision of water supply services to Exempt Land that is serviced by a Meter is the water usage charge<sup>2</sup> calculated as follows:

<sup>2</sup> See section 9.10 on page 133 of the Draft Report.



- (a) the water usage charge in Table 4 for the applicable Period, multiplied by each kL of Filtered Water used during the relevant Meter Reading Period; and
- (b) the water usage charge in Table 5 for the applicable Period, multiplied by each kL of Unfiltered Water used during the relevant Meter Reading Period.

## 10 Adjustment for water service charges to reflect charges paid by Sydney Water to SDP under the SDP Determination

### 10.1 Adjustment for (i) Residential Properties, (ii) Residential Multi Premises, (iii) Mixed Multi Premises, (iv) Non Residential Properties with an Individual Meter of 20mm and (v) Unmetered Properties

- (a) If the Pipeline has been transferred to SDP, the following clause applies from the Date of Operation:

$\Delta P_{SDPA}^{t/t+1}$  = the corresponding formula for the relevant Period:

- (1) For the Period 1 July 2013 to 30 June 2014:

$$\left( \frac{X^{2012/13} - \$187,757,606}{1,968,840} \right) \times 1.055$$

Where:

$X^{2012/13}$  = the charges levied by SDP on Sydney Water under the SDP Determination for the year 1 July 2012 to 30 June 2013.

- (2) For the Period 1 July 2014 to 30 June 2015:

$$\left( \frac{X^{2013/14} - \$185,015,392}{1,996,146} \right) \times 1.055$$

Where:

$X^{2013/14}$  = the charges levied by SDP on Sydney Water under the SDP Determination for the year 1 July 2013 to 30 June 2014.

- (3) For the Period 1 July 2015 to 30 June 2016:

$$\left( \frac{X^{2014/15} - \$182,856,535}{2,027,094} \right) \times 1.055$$

Where:

$X^{2014/15}$  = the charges levied by SDP on Sydney Water under the SDP Determination for the year 1 July 2014 to 30 June 2015.

- (b) **If the Pipeline has not been transferred to SDP, the following clause applies:**

$\Delta P_{SDPA}^{t/t+1}$  = the corresponding formula for the relevant Period:

- (1) **For the Period 1 July 2013 to 30 June 2014:**

$$\left( \frac{X^{2012/13} - \$140,295,926}{1,968,840} \right) \times 1.055$$

Where:

$X^{2012/13}$  = the charges levied by SDP on Sydney Water under the SDP Determination for the year 1 July 2012 to 30 June 2013.

- (2) **For the Period 1 July 2014 to 30 June 2015:**

$$\left( \frac{X^{2013/14} - \$137,479,617}{1,996,146} \right) \times 1.055$$

Where:

$X^{2013/14}$  = the charges levied by SDP on Sydney Water under the SDP Determination for the year 1 July 2013 to 30 June 2014.

- (3) **For the Period 1 July 2015 to 30 June 2016:**

$$\left( \frac{X^{2014/15} - \$135,625,900}{2,027,094} \right) \times 1.055$$

Where:

$X^{2014/15}$  = the charges levied by SDP on Sydney Water under the SDP Determination for the year 1 July 2014 to 30 June 2015.

## **10.2 Adjustment for Non Residential Properties with an Individual Meter of 25mm or greater and Non Residential Multi Premises with a Common Meter**

- (a) **If the Pipeline has been transferred to SDP, the following clause applies from the Date of Operation:**

$\Delta P_{SDPB}^{t/t+1}$  = the corresponding formula for the relevant Period:

**(1) For the Period 1 July 2013 to 30 June 2014:**

$$\left( \frac{X^{2012/13} - \$187,757,606}{1,968,840} \right) \times 1.055 \times 1.78 \times \left( \frac{Z^2}{625} \right)$$

Where:

$X^{2012/13}$  = the charges levied by SDP on Sydney Water under the SDP Determination for the year 1 July 2012 to 30 June 2013.

$Z$  = size of the Meter for the Property in millimetres.

**(2) For the Period 1 July 2014 to 30 June 2015:**

$$\left( \frac{X^{2013/14} - \$185,015,392}{1,996,146} \right) \times 1.055 \times 1.86 \times \left( \frac{Z^2}{625} \right)$$

Where:

$X^{2013/14}$  = the charges levied by SDP on Sydney Water under the SDP Determination for the year 1 July 2013 to 30 June 2014.

$Z$  = size of the Meter for the Property in millimetres.

**(3) For the Period 1 July 2015 to 30 June 2016:**

$$\left( \frac{X^{2014/15} - \$182,586,535}{2,027,094} \right) \times 1.055 \times 1.98 \times \left( \frac{Z^2}{625} \right)$$

Where:

$X^{2014/15}$  = the charges levied by SDP on Sydney Water under the SDP Determination for the year 1 July 2014 to 30 June 2015.

$Z$  = size of the Meter for the Property in millimetres.

**(b) If the Pipeline has not been transferred to SDP, the following clause applies:**

$\Delta P_{SDPB}^{t/t+1}$  = the corresponding formula for the relevant Period:

**(1) For the Period 1 July 2013 to 30 June 2014:**

$$\left( \frac{X^{2012/13} - \$140,295,926}{1,968,840} \right) \times 1.055 \times 1.78 \times \left( \frac{Z^2}{625} \right)$$

Where:

$X^{2012/13}$  = the charges levied by SDP on Sydney Water under the SDP Determination for the year 1 July 2012 to 30 June 2013.

$Z$  = size of the Meter for the Property in millimetres.

**(2) For the Period 1 July 2014 to 30 June 2015:**

$$\left( \frac{X^{2013/14} - \$137,479,617}{1,996,146} \right) \times 1.055 \times 1.86 \times \left( \frac{Z^2}{625} \right)$$

Where:

$X^{2013/14}$  = the charges levied by SDP on Sydney Water under the SDP Determination for the year 1 July 2013 to 30 June 2014.

$Z$  = size of the Meter for the Property in millimetres.

**(3) For the Period 1 July 2015 to 30 June 2016:**

$$\left( \frac{X^{2014/15} - \$135,625,900}{2,027,094} \right) \times 1.055 \times 1.98 \times \left( \frac{Z^2}{625} \right)$$

Where:

$X^{2014/15}$  = the charges levied by SDP on Sydney Water under the SDP Determination for the year 1 July 2014 to 30 June 2015.

$Z$  = size of the Meter for the Property in millimetres.

### 10.3 Worked example

Assume for the purpose of this worked example only:

- (a) Between 1 July 2012 and 30 June 2013, SDP has levied charges totalling \$210,105,000 on Sydney Water under the SDP determination.
- (b) The Pipeline has been transferred to SDP.
- (c) The water service charge (adjusted for CPI) for a Residential Property with an Individual Meter for the Period 1 July 2013 to 30 June 2014 is \$112.

- (d) The water service charge (adjusted for CPI) for a Non Residential Property with a 25mm Individual Meter for the Period 1 July 2013 to 30 June 2014 is \$126.

On the basis of the above assumptions, the maximum water service charge that may be levied by Sydney Water for the Period 1 July 2013 to 30 June 2014 on the following customers is:

- (e) **For a Residential Property with an Individual Meter:**

$$\begin{aligned} & \$112 + \left( \left( \frac{\$210,105,000 - \$187,757,606}{1,968,840} \right) \times 1.055 \right) \\ &= \$112 + \$11.97\sim \\ &= \$123.97 \text{ for 1 July 2013 to 30 June 2014\#} \\ &= \$30.99\sim \text{ per Quarter\#} \end{aligned}$$

- (f) **For a Non Residential Property with a 25mm Individual Meter:**

$$\begin{aligned} & \$126 + \left( \left( \frac{\$210,105,000 - \$187,757,606}{1,968,840} \right) \times 1.055 \times 1.78 \times \frac{25^2}{625} \right) \\ &= \$126 + \$21.32\sim \\ &= \$147.32 \text{ for 1 July 2013 to 30 June 2014 \#} \\ &= \$36.83 \text{ per Quarter\#} \end{aligned}$$

[Note: ~ rounded to 2 decimal places].

[Note: # water usage charges will apply in addition to the water service charge].

## Tables 1, 2, 3, 4, 5, 6 and 7

**Table 1 Water service charge for (i) Residential Properties, or Properties within a Mixed Multi Premises, with an Individual Meter (ii) Non Residential Properties with an Individual Meter of 20mm; and (iii) Metered Standpipes**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$)	(\$)	(\$)	(\$)
Water service charge	125.52	109.80 x (1+ $\Delta$ CPI <sub>1</sub> )	94.47 x (1+ $\Delta$ CPI <sub>2</sub> )	79.38 x (1+ $\Delta$ CPI <sub>3</sub> )

**Table 2 Water service charge for Properties within a Residential Multi Premises, or Mixed Multi Premises, with a Common Meter**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$)	(\$)	(\$)	(\$)
Water service charge	79.38	79.38 x (1+ $\Delta$ CPI <sub>1</sub> )	79.38 x (1+ $\Delta$ CPI <sub>2</sub> )	79.38 x (1+ $\Delta$ CPI <sub>3</sub> )

**Table 3 Water service charge for (i) Non Residential Properties with an Individual Meter of 25mm or greater; or (ii) Non Residential Multi Premises with a Common Meter**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$)	(\$)	(\$)	(\$)
Size of Meter				
20mm (Common Meter)	137.33	124.82 x (1 + ΔCPI <sub>1</sub> )	112.47 x (1 + ΔCPI <sub>2</sub> )	100.50 x (1 + ΔCPI <sub>3</sub> )
25mm	214.58	195.04 x (1 + ΔCPI <sub>1</sub> )	175.75 x (1 + ΔCPI <sub>2</sub> )	157.04 x (1 + ΔCPI <sub>3</sub> )
32mm	351.58	319.54 x (1 + ΔCPI <sub>1</sub> )	287.94 x (1 + ΔCPI <sub>2</sub> )	257.30 x (1 + ΔCPI <sub>3</sub> )
40mm	549.34	499.30 x (1 + ΔCPI <sub>1</sub> )	449.91 x (1 + ΔCPI <sub>2</sub> )	402.03 x (1 + ΔCPI <sub>3</sub> )
50mm	858.34	780.15 x (1 + ΔCPI <sub>1</sub> )	702.99 x (1 + ΔCPI <sub>2</sub> )	628.16 x (1 + ΔCPI <sub>3</sub> )
80mm	2,197.33	1,997.18 x (1 + ΔCPI <sub>1</sub> )	1,799.64 x (1 + ΔCPI <sub>2</sub> )	1,608.09 x (1 + ΔCPI <sub>3</sub> )
100mm	3,433.34	3,120.59 x (1 + ΔCPI <sub>1</sub> )	2,811.94 x (1 + ΔCPI <sub>2</sub> )	2,512.64 x (1 + ΔCPI <sub>3</sub> )
150mm	7,725.02	7,021.33 x (1 + ΔCPI <sub>1</sub> )	6,326.87 x (1 + ΔCPI <sub>2</sub> )	5,653.45 x (1 + ΔCPI <sub>3</sub> )
200mm	13,733.36	12,482.37 x (1 + ΔCPI <sub>1</sub> )	11,247.78 x (1 + ΔCPI <sub>2</sub> )	10,050.58 x (1 + ΔCPI <sub>3</sub> )
For Meter sizes not specified above, the following formula applies		(Meter size) <sup>2</sup> x 25mm charge/625		

**Table 4 Water usage charge for Filtered Water to Metered Properties**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$/kL)	(\$/kL)	(\$/kL)	(\$/kL)
Filtered Water – water usage charge	2.15	2.15 x (1 + ΔCPI <sub>1</sub> )	2.15 x (1 + ΔCPI <sub>2</sub> )	2.15 x (1 + ΔCPI <sub>3</sub> )

**Table 5 Water usage charge for Unfiltered Water to Metered Properties**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$/kL)	(\$/kL)	(\$/kL)	(\$/kL)
Unfiltered Water – water usage charge	1.85	$1.85 \times (1 + \Delta \text{CPI}_1)$	$1.85 \times (1 + \Delta \text{CPI}_2)$	$1.85 \times (1 + \Delta \text{CPI}_3)$

**Table 6 Water service charge for Unmetered Residential Properties**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$)	(\$)	(\$)	(\$)
Water service charge	555.52	$539.80 \times (1 + \Delta \text{CPI}_1)$	$524.47 \times (1 + \Delta \text{CPI}_2)$	$509.38 \times (1 + \Delta \text{CPI}_3)$

**Table 7 Water service charge for Unmetered Non Residential Properties**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$)	(\$)	(\$)	(\$)
Water service charge	383.52	$367.80 \times (1 + \Delta \text{CPI}_1)$	$352.47 \times (1 + \Delta \text{CPI}_2)$	$337.38 \times (1 + \Delta \text{CPI}_3)$



## Schedule 2 Sewerage services

### 1 Application

This schedule sets out the maximum prices that Sydney Water may charge for services under paragraph (b) of the Order (sewerage services), other than those set out in schedule 7 (Minor Service Extensions).

### 2 Categories for pricing purposes

Prices for sewerage services have been determined for 4 categories:

- (a) Metered Residential Properties, Metered Properties within Mixed Multi Premises, and Unmetered Properties, connected to the Sewerage System;
- (b) Metered Non Residential Properties connected to the Sewerage System;
- (c) Properties not connected to the Sewerage System; and
- (d) Exempt Land.

### 3 Maximum prices for sewerage services to Metered Residential Properties, Metered Properties within Mixed Multi Premises and Unmetered Properties

- (a) This clause 3 applies to:
  - (1) all Metered Residential Properties (including Metered Properties within a Residential Multi Premises);
  - (2) all Metered Properties within a Mixed Multi Premises; and
  - (3) all Unmetered Properties.
- (b) The maximum price that Sydney Water may levy for a Billing Cycle for the provision of sewerage services to a Property of a kind listed in clause 3(a) above which is connected to the Sewerage System is:

$$\frac{SC}{q}$$

Where:

SC = the sewerage service charge in Table 8 corresponding to the applicable Period in that table; and

q = the number of Quarters in that Period.

- (c) The sewerage service charge is to be levied on:
  - (1) in the case of a Property within a Strata Title Building, each Strata Title Lot;
  - (2) in the case of a Property within a Community Title Building, each Company Title Dwelling;
  - (3) in the case of a Property within a Community Development Parcel, each Community Development Lot; or
  - (4) in the case of any other type of Multi Premises (other than a Boarding House), each Property within that Multi Premises.
- (d) In the case of a Boarding House, the maximum price for the provision of sewerage services under this schedule is to be levied by Sydney Water based on its usual practice at the Commencement Date.

## **4 Maximum prices for sewerage services to Metered Non Residential Properties which are not within a Mixed Multi Premises**

### **4.1 Maximum prices for Metered Non Residential Properties which are not within a Mixed Multi Premises**

- (a) The maximum price that Sydney Water may levy for the provision of sewerage services to a Metered Non Residential Property that is not within a Mixed Multi Premises is the sum of:
  - (1) the sewerage service charge levied in accordance with clause 4.2, 4.3 or 4.4 (as applicable); and
  - (2) the sewerage usage charge levied in accordance with clause 4.5 or 4.6 (as applicable).
- (b) For the avoidance of doubt, a Strata Title Lot, a Company Title Dwelling or a Community Development Lot (as the case may be) with an Individual Meter within a Multi Premises is each deemed to be a single Property for the purposes of levying sewerage charges under this schedule and clause 4.2 or 4.3 (and not clause 4.4) of this schedule is to apply to that Strata Title Lot, Company Title Dwelling or Community Development Lot (as the case may be).

#### 4.2 Metered Non Residential Property with an Individual Meter of 20mm

The maximum sewerage service charge that Sydney Water may levy for a Billing Cycle for the provision of sewerage services to a Non Residential Property that is connected to the Sewerage System and has an Individual Meter of 20mm is:

$$\frac{SC}{q}$$

Where:

SC = the sewerage service charge in Table 8 corresponding to the applicable Period in that table; and

q = the number of Quarters in that Period.

#### 4.3 Metered Non Residential Property with an Individual Meter of 25mm or greater

The maximum sewerage service charge that Sydney Water may levy for a Billing Cycle for the provision of sewerage services to a Non Residential Property which is connected to the Sewerage System and has an Individual Meter of 25 mm or greater is:

$$\frac{SC}{q} \times DF$$

Where:

SC = the sewerage service charge in Table 9 corresponding to the applicable Period and Meter size in that table;

q = the number of Quarters in that Period; and

DF = the relevant Discharge Factor.

#### 4.4 Non Residential Multi Premises with a Common Meter

- (a) The maximum sewerage service charge that Sydney Water may levy for a Billing Cycle for the provision of sewerage services to a Property within a Non Residential Multi Premises which is connected to the Sewerage System and has a Common Meter is:

$$\frac{SC}{q} \times \frac{1}{n}$$

Where:

**SC** = the sewerage service charge in Table 9 corresponding to the applicable Period and Meter size in that table;

**q** = the number of Quarters in that Period; and

**n** = the number of Properties within that Multi Premises; and

- (b) The sewerage service charge is to be levied on:
- (1) in the case of a Strata Title Building, each Strata Title Lot; or
  - (2) in the case of a Community Parcel, each Community Development Lot; or
  - (3) in the case of a Company Title Building, each Company Title Dwelling; or
  - (4) in the case of any other type of Multi Premises, each Property within that Multi Premises.

#### **4.5 Maximum sewerage usage charge to Non Residential Properties with an Individual Meter that is not within a Mixed Multi Premises**

The maximum sewerage usage charge that Sydney Water may levy for the provision of sewerage services to a Non Residential Property with an Individual Meter that is not within a Mixed Multi Premises is calculated as follows for a Meter Reading Period:

$$[(W \times DF) - DA] \times UC$$

Where:

**W** = the water used (in kL) by that Non Residential Property for the Meter Reading Period;

**DF** = the Discharge Factor for that Non Residential Property;

**DA** = the Discharge Allowance for the Meter Reading Period;

**UC** = the sewerage usage charge in Table 10 for the Meter Reading Period corresponding to the applicable Period in that table and the volume of sewage discharged; and

**volume of sewage** discharged means the resulting volume determined by multiplying W and DF in this clause 4.5.

Where (W x DF) is less than DA, the sewerage usage charge will be zero.

#### 4.6 Maximum sewerage usage charge to Non Residential Multi Premises with a Common Meter

- (a) The maximum sewerage usage charge that Sydney Water may levy for the provision of sewerage services to a Non Residential Multi Premises with a Common Meter is calculated as follows for a Meter Reading Period:

$$[(W \times DF) - DA] \times UC$$

Where:

**W** = the water used (in kL) by that Multi Premises for the Meter Reading Period;

**DF** = the Discharge Factor for that Multi Premises;

**DA** = the Discharge Allowance for the Meter Reading Period;

**UC** = the sewerage usage charge in Table 10 for the Meter Reading Period corresponding to the applicable Period in that table and the volume of sewage discharged; and

**volume of sewage discharged** means the resulting volume determined by multiplying W and DF in this clause 4.6(a).

Where (W x DF) is less than DA, the sewerage usage charge will be zero.

- (b) The sewerage usage charge for a Non Residential Multi Premises with a Common Meter is to be levied on:
- (1) in the case of a Strata Title Building, the Owners Corporation of that Strata Title Building; or
  - (2) in the case of a Community Parcel, the owner of that Community Parcel; or
  - (3) in the case of a Company Title Building, the owner of that Company Title Building, or
  - (4) in the case of any other type of Multi Premises, the owner of that Multi Premises.

## 5 Maximum prices for sewerage services to Properties not connected to the Sewerage System

The maximum sewerage service charge and sewerage usage charge that Sydney Water may levy for a Property not connected to the Sewerage System is zero for the period from the Commencement Date until the date that this determination ceases to apply.

## 6 Maximum prices for sewerage services to Exempt Land

The maximum price that Sydney Water may levy for the provision of sewerage services to Exempt Land that is serviced by a Meter is the sewerage usage charge<sup>3</sup> calculated as follows for a Meter Reading Period:

$$[(W \times DF) - DA] \times UC$$

Where:

**W** = the water used (in kL) by that Exempt Land for the Meter Reading Period;

**DF** = the Discharge Factor for that Exempt Land;

**DA** = the Discharge Allowance for the Meter Reading Period;

**UC** = the sewerage usage charge in Table 10 for the Meter Reading Period corresponding to the applicable Period in that table and the volume of sewage discharged; and

**volume of sewage discharged** means the resulting volume determined by multiplying W and DF in this clause 6.

Where  $(W \times DF)$  is less than DA, the sewerage usage charge will be zero.

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<sup>3</sup> See section 9.10 on page 133 of the Draft Report.

## Tables 8, 9 and 10

**Table 8 Sewerage service charge for (i) Metered Residential Properties; (ii) Metered Properties within a Mixed Multi Premises; (iii) Unmetered Properties; and (iv) Non Residential Properties with an Individual Meter of 20mm**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$)	(\$)	(\$)	(\$)
Sewerage service charge	557.32	$560.18 \times (1 + \Delta CPI_1)$	$562.07 \times (1 + \Delta CPI_2)$	$563.98 \times (1 + \Delta CPI_3)$

**Table 9 Sewerage service charge for (i) Metered Non Residential Properties with an Individual Meter of 25mm or greater; or (ii) Non Residential Multi Premises with a Common Meter**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$)	(\$)	(\$)	(\$)
Meter size				
20mm (Common Meter)	634.76	728.29 x (1+ΔCPI <sub>1</sub> )	835.32 x (1+ΔCPI <sub>2</sub> )	957.94 x (1+ΔCPI <sub>3</sub> )
25mm	991.81	1,137.96 x (1+ΔCPI <sub>1</sub> )	1,305.19 x (1+ΔCPI <sub>2</sub> )	1,496.79 x (1+ΔCPI <sub>3</sub> )
32mm	1,624.98	1,864.42 x (1+ΔCPI <sub>1</sub> )	2,138.43 x (1+ΔCPI <sub>2</sub> )	2,452.33 x (1+ΔCPI <sub>3</sub> )
40mm	2,539.04	2,913.16 x (1+ΔCPI <sub>1</sub> )	3,341.30 x (1+ΔCPI <sub>2</sub> )	3,831.78 x (1+ΔCPI <sub>3</sub> )
50mm	3,967.24	4,551.82 x (1+ΔCPI <sub>1</sub> )	5,220.78 x (1+ΔCPI <sub>2</sub> )	5,987.15 x (1+ΔCPI <sub>3</sub> )
80mm	10,156.14	11,652.66 x (1+ΔCPI <sub>1</sub> )	13,365.19 x (1+ΔCPI <sub>2</sub> )	15,327.10 x (1+ΔCPI <sub>3</sub> )
100mm	15,868.97	18,207.28 x (1+ΔCPI <sub>1</sub> )	20,883.10 x (1+ΔCPI <sub>2</sub> )	23,948.59 x (1+ΔCPI <sub>3</sub> )
150mm	35,705.18	40,966.38 x (1+ΔCPI <sub>1</sub> )	46,986.98 x (1+ΔCPI <sub>2</sub> )	53,884.33 x (1+ΔCPI <sub>3</sub> )
200mm	63,475.87	72,829.12 x (1+ΔCPI <sub>1</sub> )	83,532.42 x (1+ΔCPI <sub>2</sub> )	95,794.37 x (1+ΔCPI <sub>3</sub> )
For Meter sizes not specified above, the following formula applies		(Meter size) <sup>2</sup> x 25mm charge/625		

**Note:** The prices in Table 9 assume the application of a Discharge Factor of 100%. The relevant Discharge Factor may vary from case to case, as determined by Sydney Water. A pro rata adjustment shall be made where the DF% is less than or greater than 100%.



**Table 10 Sewerage usage charge for Metered Non Residential Properties and Exempt Land**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$/kL)	(\$/kL)	(\$/kL)	(\$/kL)
Sewerage usage charge where volume of sewage discharged $\leq$ Discharge Allowance	0	0	0	0
Sewerage usage charge where volume of sewage discharged $>$ Discharge Allowance	1.40	1.30	1.20	1.10

**Note:** Please refer to clause 4.5 or 4.6 for the calculation of “volume of sewage discharged”.

## Schedule 3 Stormwater drainage services

### 1 Application

- (a) This schedule sets out the maximum prices that Sydney Water may charge for services under paragraph (c) of the Order (stormwater drainage services).
- (b) Clause 7 of this schedule applies to New Properties located within the Rouse Hill Development Area. For the avoidance of doubt, clauses 3, 4 and 5 of this schedule do not apply to New Properties located within the Rouse Hill Development Area.

### 2 Categories for pricing purposes

Prices for stormwater drainage services have been determined for 5 categories:

- (a) Residential Multi Premises and Mixed Multi Premises;
- (b) Residential Properties which are not within a Multi Premises and Vacant Land;
- (c) Non Residential Properties which are not within a Multi Premises or Mixed Multi Premises;
- (d) Non Residential Properties within a Non Residential Multi Premises; and
- (e) New Properties in the Rouse Hill Development Area.

### 3 Maximum prices for stormwater drainage services to Residential Multi Premises and Mixed Multi Premises

The maximum price that Sydney Water may levy for a Billing Cycle for the provision of stormwater drainage services to each Property in:

- (a) a Residential Multi Premises; or
- (b) a Mixed Multi Premises,

within a Stormwater Drainage Area is:

$$\frac{SC}{q}$$

Where:

SC = the stormwater drainage service charge in Table 11 corresponding to the applicable Period in that table; and

q = the number of Quarters in that Period.

#### **4 Maximum prices for stormwater drainage services to Residential Properties which are not within a Multi Premises, and Vacant Land**

The maximum price that Sydney Water may levy for a Billing Cycle for the provision of stormwater drainage services to:

- (a) a Residential Property which is not located within a Multi Premises; or
- (b) Vacant Land,

where that Residential Property or Vacant Land is within a Stormwater Drainage Area is:

$$\frac{SC}{q}$$

Where:

SC = the stormwater drainage service charge in Table 12, corresponding to the applicable Period in that table; and

q = the number of Quarters in that Period.

#### **5 Maximum prices for stormwater drainage services to Non Residential Properties which are not within a Multi Premises or a Mixed Multi Premises**

- (a) This clause does not apply to Non Residential Properties within a Multi Premises or a Mixed Multi Premises.
- (b) The maximum price that Sydney Water may levy for a Billing Cycle for the provision of stormwater drainage services to a Non Residential Property that is within a Stormwater Drainage Area is:

$$\frac{SC}{q}$$

Where:

SC = the stormwater drainage service charge in Table 13 corresponding to the applicable Period and Land Size in that table; and

q = the number of Quarters in that Period.

- (c) In this clause, Land Size refers to the total size of the land (in m<sup>2</sup>) on which the Property is located.

## 6 Maximum prices for stormwater drainage services to Non Residential Properties within a Non Residential Multi Premises

- (a) This clause does not apply to Non Residential Properties within a Mixed Multi Premises.
- (b) The maximum price that Sydney Water may levy for a Billing Cycle for the provision of stormwater drainage services to a Non Residential Property that is within:
- (1) a Non Residential Multi Premises; and
  - (2) a Stormwater Drainage Area,
- is:

$$\frac{SC}{q} \times \frac{1}{n}$$

Where:

SC = the stormwater drainage service charge in Table 13 corresponding to the applicable Period and Land Size in that table;

q = the number of Quarters in that Period; and

n = the number of Properties within that Multi Premises.

- (c) In this clause, Land Size refers to the total size of the land (in m<sup>2</sup>) on which the Multi Premises is located.
- (d) The stormwater drainage charge is to be levied on:
- (1) in the case of a Strata Title Building, each Strata Title Lot; or
  - (2) in the case of a Community Parcel, each Community Development Lot; or
  - (3) in the case of a Company Title Building, each Company Title Dwelling; or
  - (4) in the case of any other type of Multi Premises, each Property within that Multi Premises.

## 7 Maximum prices for stormwater drainage services to New Properties in the Rouse Hill Development Area

- (a) The maximum price that Sydney Water may levy for a Billing Cycle for the provision of stormwater drainage services to a New Property in the Rouse Hill Development Area is:

$$\frac{SC}{q}$$

Where:

SC = the stormwater drainage service charge in Table 14 corresponding to the applicable Period in that table; and

q = the number of Quarters in that Period

**(Rouse Hill New Property Charge).**

- (b) The Rouse Hill New Property Charge is to be levied on the owner of the New Property for a period of 5 years from the date the New Property is first occupied.

## Tables 11, 12, 13 and 14

**Table 11 Stormwater drainage service charge for Residential Multi Premises and Mixed Multi Premises**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$)	(\$)	(\$)	(\$)
Stormwater drainage service charge	51.25	44.08 x (1+ $\Delta$ CPI <sub>1</sub> )	28.70 x (1+ $\Delta$ CPI <sub>2</sub> )	16.40 x (1+ $\Delta$ CPI <sub>3</sub> )

**Table 12 Stormwater drainage service charge for Vacant Land and Residential Properties that are not within Multi Premises**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$)	(\$)	(\$)	(\$)
Stormwater drainage service charge	61.50	74.83 x (1+ $\Delta$ CPI <sub>1</sub> )	82.00 x (1+ $\Delta$ CPI <sub>2</sub> )	88.15 x (1+ $\Delta$ CPI <sub>3</sub> )

**Table 13 Stormwater drainage service charge for Non Residential Properties**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$)	(\$)	(\$)	(\$)
Non Residential Property – small ( $<200\text{m}^2$ )	51.25	44.08 x ( $1+\Delta\text{CPI}_1$ )	28.70 x ( $1+\Delta\text{CPI}_2$ )	16.40 x ( $1+\Delta\text{CPI}_3$ )
Non Residential Property – medium ( $201\text{m}^2$ - $1,000\text{m}^2$ or low impact <sup>a</sup> )	61.50	74.83 x ( $1+\Delta\text{CPI}_1$ )	82.00 x ( $1+\Delta\text{CPI}_2$ )	88.15 x ( $1+\Delta\text{CPI}_3$ )
Non Residential Property – large ( $1,001\text{m}^2$ - $10,000\text{m}^2$ )	205.00	358.75 x ( $1+\Delta\text{CPI}_1$ )	512.50 x ( $1+\Delta\text{CPI}_2$ )	594.50 x ( $1+\Delta\text{CPI}_3$ )
Non Residential Property – very large ( $>10,000\text{m}^2$ )	3.08 x (Land Size in $\text{m}^2$ )/100)	8.20 x (Land Size in $\text{m}^2$ )/100) x ( $1+\Delta\text{CPI}_1$ )	13.33 x (Land Size in $\text{m}^2$ )/100) x ( $1+\Delta\text{CPI}_2$ )	17.43 x (Land Size in $\text{m}^2$ )/100) x ( $1+\Delta\text{CPI}_3$ )

<sup>a</sup> Low impact Non Residential Properties are often large in area and are assessed by Sydney Water to have a low area of impermeable surface.

**Table 14 Stormwater drainage service charge for New Properties in the Rouse Hill Development Area**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$)	(\$)	(\$)	(\$)
Rouse Hill stormwater drainage service charge	899	899 x ( $1+\Delta\text{CPI}_1$ )	899 x ( $1+\Delta\text{CPI}_2$ )	899 x ( $1+\Delta\text{CPI}_3$ )

## Schedule 4 Recycled water services from the Rouse Hill Recycled Water Plant and drainage services in the Rouse Hill Development Area

### 1 Categories for pricing purposes

- (a) This schedule sets out the maximum prices that Sydney Water may charge for services under paragraph (g) of the Order, specifically recycled water services in the area supplied by the Rouse Hill Recycled Water Plant and drainage services in the Rouse Hill Development Area.
- (b) The maximum prices in this schedule are in addition to the prices applying to Properties in the Rouse Hill Development Area under schedules 1, 2, 3, 5, 6 and 7.

### 2 Maximum prices for Recycled Water services to Properties supplied by the Rouse Hill Recycled Water Plant

The maximum price that Sydney Water may levy for a Meter Reading Period for the provision of Recycled Water services to a Property supplied by the Rouse Hill Recycled Water Plant is the recycled water usage charge in Table 15 for the Meter Reading Period corresponding to the applicable Period in that table multiplied by each kL of Recycled Water used by that Property for the Meter Reading Period.

### 3 Maximum prices for drainage services to Properties in the Rouse Hill Development Area

The maximum price that Sydney Water may levy for a Billing Cycle for the provision of drainage services (other than stormwater drainage services) to a Property in the Rouse Hill Development Area is the river management charge (drainage) calculated as follows:

$$\frac{RMC}{q}$$

Where:



**RMC** = the river management charge (drainage) in Table 16, corresponding to the applicable Period and the relevant Land Size in that table; and

**q** = the number of Quarters in that Period.

In this clause, Land Size refers to the total size of the land (in m<sup>2</sup>) on which the premises is located.

## Tables 15 and 16

**Table 15 Recycled Water usage charge**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$/kL)	(\$/kL)	(\$/kL)	(\$/kL)
Recycled Water usage charge	1.72	$1.72 \times (1 + \Delta \text{CPI}_1)$	$1.72 \times (1 + \Delta \text{CPI}_2)$	$1.72 \times (1 + \Delta \text{CPI}_3)$

**Table 16 River management charge (drainage)**

Charge	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
	(\$)	(\$)	(\$)	(\$)
River management charge (drainage) for Residential Properties and Non Residential Properties with land size $\leq$ 1000m <sup>2</sup>	131.79	$131.79 \times (1 + \Delta \text{CPI}_1)$	$131.79 \times (1 + \Delta \text{CPI}_2)$	$131.79 \times (1 + \Delta \text{CPI}_3)$
River management charge (drainage) for Non Residential Properties with land size $>$ 1000m <sup>2</sup>	131.79	$131.79 \times (\text{land area in m}^2/1000) \times (1 + \Delta \text{CPI}_1)$	$131.79 \times (\text{land area in m}^2/1000) \times (1 + \Delta \text{CPI}_2)$	$131.79 \times (\text{land area in m}^2/1000) \times (1 + \Delta \text{CPI}_3)$

## Schedule 5 Trade waste services

*[IPART has not yet determined the draft maximum prices for trade waste services (apart from wastesafe charges) and, before draft prices are approved, IPART will consult with key stakeholders and hold a public workshop on the proposed draft prices]*

### 1 Application

This schedule sets out the maximum prices that Sydney Water may charge for services under paragraph (d) of the Order (trade waste services).

### 2 Categories for pricing purposes

Prices for trade waste services have been determined for 2 categories:

- (a) Industrial Customers that discharge trade waste into the Sewerage System; and
- (b) Commercial Customers that discharge trade waste into the Sewerage System.

### 3 Maximum prices for trade waste services to Industrial Customers

The maximum price that Sydney Water may levy for a Billing Cycle for the provision of trade waste services to Industrial Customers is the sum of the following:

*[To be inserted]*

### 4 Maximum prices for trade waste services to Commercial Customers

The maximum price that Sydney Water may levy for the provision of trade waste services to Commercial Customers is the sum of the following:

- (a) for the Period from the Commencement Date to 30 June 2013:
  - (1) the wastesafe charges in Table 17; and
  - (2) *[To be inserted]*

- (b) for each Period from 1 July 2013 to 30 June 2016:
  - (1) the wastesafe charges in Table 17, as varied under clause [2] of this Schedule; and
  - (2) *[To be inserted]*

## 5 Variation of charges

Each charge in Table 17 is varied as follows:

- (a) From 1 July 2013 to 30 June 2014 - that charge is to be multiplied by  $(1+\Delta\text{CPI}_1)$ ;
- (b) From 1 July 2014 to 30 June 2015 - that charge is to be multiplied by  $(1+\Delta\text{CPI}_2)$ ; and
- (c) From 1 July 2015 to 30 June 2016 - that charge is to be multiplied by  $(1+\Delta\text{CPI}_3)$ .

## Table 17

**Table 17 Wastesafe charges for Commercial Customers**

Charges	Units	Commencement Date to 30 June 2013	1 July 2013 to 30 June 2014	1 July 2014 to 30 June 2015	1 July 2015 to 30 June 2016
Fixed \$/liquid waste trap charge	\$/liquid waste trap/year	N/A	N/A	95.17	95.17
Missed service (pump-out) inspection charge for liquid waste traps <=2kL	\$/liquid waste trap/event	N/A	N/A	262.14	262.14
Missed service (pump-out) inspection charge for liquid waste traps >2kL	\$/liquid waste trap/event	N/A	N/A	524.29	524.29
Processing grease trap waste	\$/litre	0.14	0.14	N/A	N/A

*[IPART has not yet determined the draft maximum prices for trade waste services (apart from wastesafe charges) and, before draft prices are approved, IPART will consult with key stakeholders and hold a public workshop on the proposed draft prices.]*

## Schedule 6 Ancillary and miscellaneous customer services

### 1 Application

This schedule sets out the maximum prices that Sydney Water may charge for services under paragraph (f) of the Order (ancillary and miscellaneous customer services for which no alternative supply exists).

### 2 Maximum prices for ancillary and miscellaneous services

- (a) The maximum charge that Sydney Water may levy for an ancillary and miscellaneous service in Table 18 is:
  - (1) from the Commencement Date to 30 June 2013 - the corresponding charge in Table 18;
  - (2) from 1 July 2013 to 30 June 2014 - the corresponding charge in Table 18 multiplied by  $(1+\Delta\text{CPI}_1)$ ;
  - (3) from 1 July 2014 to 30 June 2015 - the corresponding charge in Table 18 multiplied by  $(1+\Delta\text{CPI}_2)$ ; and
  - (4) from 1 July 2015 to 30 June 2016 - the corresponding charge in Table 18 multiplied by  $(1+\Delta\text{CPI}_3)$ .
- (b) A reference in Table 18 to "N/A" means that Sydney Water either does not provide the relevant service or the service has been combined with other services and recovered by one charge.

## Table 18

**Table 18 Charges for ancillary and miscellaneous services**

<b>No.</b>	<b>Ancillary and miscellaneous services</b>	<b>Charges from Commencement Date to 30 June 2016 (\$)</b>
1	Conveyancing Certificate Electronic	5.79
2	Property Sewerage Diagram Diagram showing the location of the private house service line	
(a)	Over the Counter	24.65
(b)	Electronic	9.53
3	Service Location Diagram Diagram showing the location of Sydney Water's pipe and structures and property wastewater connection point	
(a)	Over the Counter	16.86
(b)	Electronic	5.79
4	Special Meter Reading Statement	24.65
5	Billing Record Search Statement – up to and including five years	24.65
6	Building Over/Adjacent to Asset advice A letter from Sydney Water regarding a building's compliance with Sydney Water's standards and regulations for building over or adjacent to its pipes or structures	41.41
7	Water reconnection Reconnection of water service at meter, following payment of overdue accounts	24.65
8	Workshop Test of Water Meter	
(a)	20, 25 & 32 mm meters	209.05
(b)	40 and 50 mm light meters	290.33
(c)	50, 80, 100 & 150 mm meters	475.09
(d)	200, 250 & 300 mm meters	1055.75

Table 18

No.	Ancillary and miscellaneous services	Charges from Commencement Date to 30 June 2016 (\$)
9	Water Service Disconnection Application <sup>^</sup> Application for the disconnection of an existing water service. This covers administration only. A separate charge will be payable to the utility if they also perform the physical disconnection	Nil
10	Water Service Connection Installation Application <sup>^</sup> Application for an accredited supplier to install a new connection point, into Sydney Water's watermain. This covers administration only. A separate charge will be payable to the utility if they also perform the physical connection	Nil
11	Water Service Connection Approval Application (32 – 65 mm) <sup>^</sup> Application for Sydney Water to approve a water service connection that requires detailed hydraulic assessment. This covers administration and system capacity analysis as required.	209.05
12	Water Service Connection Approval Application (80mm or greater) <sup>^</sup> Application for Sydney Water to approve a water service connection that requires detailed hydraulic assessment. This covers administration; system capacity analysis as required and time taken to determine cost of physical installation.	209.05
13	Application to Assess a Watermain Adjustment	N/A
14	Standpipe Hire – security bond	N/A
15	Standpipe Hire – Annual Fee	N/A
16	Standpipe Water Usage Fee	N/A
17	Backflow Prevention Device Application and Registration Fee	N/A
18	Backflow Prevention Device Annual Administration Fee	N/A
19	Major Works Inspection Fee	N/A
20	Statement of Available Pressure and Flow	118.23
21	Request for Asset Construction Details	41.41



No.	Ancillary and miscellaneous services	Charges from Commencement Date to 30 June 2016 (\$)
	<p>Detailed plans of Sydney Water's assets showing water, wastewater and drainage.</p> <p>Plans are also known as work orders, long sections or benchmarks</p> <p>.</p>	
22	<p>Supply System Diagram</p> <p>A large plan that shows Sydney Water's wastewater, water and stormwater assets. The information can be provided in hard copy or electronic format.</p>	118.23
23	<p>Building Plan Approval Application</p> <p>Application for approval of building plans, to determine if proposed building works will affect Sydney Water's pipes or structures.</p>	16.86
24	<p>Asset Adjustment Application</p> <p>Application for Sydney Water to investigate the feasibility of relocating a water, wastewater or stormwater asset.</p>	209.05
25	<p>Watermain Fitting Adjustment Application<sup>^</sup></p> <p>Application for Sydney Water to investigate the feasibility of lowering or raising a watermain fitting.</p> <p>This covers administration only. A separate charge will be payable to the utility if they also perform the physical connection.</p>	Nil
26	<p>Water Pump Application</p> <p>Application for Sydney Water to assess the impact on its water assets, in regards to the installation of a pump on a private water service.</p>	118.23
27	<p>Extended Private Service Application<sup>^</sup></p> <p>Application for Sydney Water to approve a water service connection, for a property where a normal point of connection is not available.</p>	Nil
28	<p>Wastewater Connection Installation Application<sup>^</sup></p> <p>Application for an accredited supplier to insert a new point of connection into a Sydney Water wastewater pipe.</p> <p>This covers administration only. A separate charge will be payable to the utility if they also perform the physical connection</p>	Nil
29	<p>Wastewater Ventshaft Relocation Application<sup>^</sup></p> <p>Application for Sydney Water to investigate the feasibility of relocating or adjusting a wastewater ventshaft.</p>	Nil

Table 18

No.	Ancillary and miscellaneous services	Charges from Commencement Date to 30 June 2016 (\$)
	This covers administration only and does not include design review or assessment.	
30	Disuse of Wastewater pipe or structure^  Application for Sydney Water to investigate the feasibility of disusing an existing wastewater pipe or structure.  This covers administration only and does not include design review or assessment.	Nil
31	Plumbing and Drainage Inspection Fee  Fee for NSW Fair Trading to conduct audit inspections on private plumbing and drainage work where more than 2 inspections may be required.  Note: generally required in recycled water areas and for more complex plumbing and drainage installations (in addition to the payment of the Plumbing and Drainage Audit Fee).	88.25
32	Plumbing and Drainage Re-inspection Fee  Fee for NSW Fair Trading to conduct additional audit inspections on private plumbing and drainage work.  Note: A Plumbing and Drainage Audit Inspection application must have previously been made	88.25
33	Stormwater Connection Approval Application^  Application for Sydney Water to determine the conditions of connecting to a Sydney Water stormwater pipe or channel > 300 mm.	Nil
34	Application for inspection of Stormwater Connection^  Application for an inspection of the connection to Sydney Water's stormwater pipe or channel > 300 mm.	Nil
35	Development Requirements Application  Application to determine the servicing requirements for a proposed development or subdivision (including development charges if applicable).  Sydney Water will only issue a compliance certificate (Section 73 Certificate) if the development consent is submitted with the application, otherwise it will issue a letter of general requirements only.  Sydney Water will determine its full requirements when an application is received with the development consent from the relevant planning	378.99

No.	Ancillary and miscellaneous services	Charges from Commencement Date to 30 June 2016 (\$)
	authority.	
36	Road Closure Application Application for a permanent road closure.	Nil
37	Water and Sewer Extension Application Request for approval to expand reticulation systems, to provide a new point of connection.	378.99
38	Dishonoured or Declined Payment Fee Fee for dishonoured payment/reversal processing, where a financial institution has declined a payment to Sydney Water.	11.58
39	Cancel Plumbers Permit Application to cancel a plumber's permit.	
(a)	Where both parties sign the application	Nil
(b)	Where one party has signed the application	63.65
40	Plumbing and Drainage Audit Inspection Application Fee for NSW Fair Trading to conduct audit inspections on private plumbing and drainage work. Allows for one inspection only.	183.22
41	Alternate Water Inspection Application for NSW Fair Trading to review the proposed connection to an alternative water source such as bore water or greywater.	256.97
42	Monthly Meter Reading Request by Customer This monthly charge will cover the additional costs that Sydney Water will incur to process customer requests to have the water meter read and billed monthly	9.53
43	Replacement of meter damaged by customer / customers agent This charge allows Sydney Water to recoup the cost of replacing meters that have been damaged other than by normal wear and tear. Sydney Water will continue to pay for the replacement of meters that are faulty or due to be replaced as part of the regular maintenance program	
(a)	20 mm	118.23
(b)	25,30 & 40 mm	252.56

Table 18

No.	Ancillary and miscellaneous services	Charges from Commencement Date to 30 June 2016 (\$)
44	Integrated Service Connection Application <sup>^</sup> This is a new service that will consolidate a number of existing services into a single application form. The charge will apply only to complex connections where detailed hydraulic assessment is required. Standard connections will not incur any application charges	209.05
45	Sydney Water hourly rate This hourly rate will apply across all divisions of Sydney Water, to allow Sydney Water to recover the full cost of providing services for customers, where a designated charge otherwise does not apply.	119.31

<sup>^</sup> Indicates that Service is included in Integrated Service Connection Application form.

## Schedule 7 Minor Service Extensions

### 1 Application

This schedule sets out the methodology for fixing the maximum prices that Sydney Water may charge for certain services under paragraph (a) of the Order (water supply services) and paragraph (b) of the Order (sewerage services).

### 2 Prices for minor service extensions

- (a) The maximum price that Sydney Water may levy for the provision of water and sewerage services that constitute a Minor Service Extension is the price calculated under clause 3 of this schedule.
- (b) The price calculated under clause 3 of this schedule may only be levied by Sydney Water on a Property after the Application Date corresponding to that Property.

### 3 Methodology for calculating the maximum price

- (a) The maximum price for the services described in clause 2(a) of this schedule, when the Connection Date is the same as the Availability Date, is the price determined by the following formula:

$$P0 = \left[ \frac{(PV(K) - PV(R - C))}{PV(S)} \right]$$

- (b) The maximum price for the services described in clause 2(a) of this schedule, when the Connection Date is within the Year following the Availability Date, is the price determined by the following formula:

$$P1 = P0 \times (\theta CPI_B)$$

- (c) The maximum price for the services described in clause 2(a) of this schedule, when clauses 3(a) and 3(b) of this schedule do not apply, is the price determined by the following formula:

$$Pt = P0 \times [(\theta CPI_A) \times \dots \times (\theta CPI_B)]$$

- (d) In clauses 3(a), 3(b), 3(c) and 4 of this schedule:

**P0** is the price per Equivalent Tenement that Sydney Water may levy under clause 2(b) of this schedule calculated on the Availability Date.

*P1* is the price per Equivalent Tenement that Sydney Water may levy under clause 2(b) of this schedule when the Connection Date is within the Year following the Availability Date.

*Pt* is the price per Equivalent Tenement that Sydney Water may levy under clause 2(b) of this schedule when clauses 3(a) and 3(b) of this schedule do not apply.

*PV* means:

- (1) when applied to *K* or (*R-C*) , the present value of *K* or (*R-C*) (as the case may be), applying a discount rate of 7 per cent;
- (2) when applied to *S*, the present value of *S* (over the same period as that used to calculate *R*), applying a discount rate of 7 per cent.

*K* is the total capital cost of the Minor Service Extension to which this schedule applies.

*R* is the estimated future revenue to be derived in a given Year from the provision of a Minor Service Extension to the owners of the Properties capable of being connected to the Water Supply System or Sewerage System, following a Minor Service Extension.

*C* is the estimated future operating, maintenance and administration costs expected to be spent on customers serviced by the Minor Service Extension.

*S* is so much of Equivalent Tenement that Sydney Water estimates is attributable to connections in each of the Years following a Minor Service Extension.

***Equivalent Tenement*** means a measure of the demand (as determined by Sydney Water) that will be placed on its Water Supply System or Sewerage System by a Property being connected to those systems following a Minor Service Extension expressed as a unit of the additional demand placed on those systems above the demand placed by an average Residential Property (where “average Residential Property” is determined by Sydney Water from time to time).

***Year*** means a period of twelve months commencing 1 July and ending on 30 June in the ensuing calendar year.

$\theta\text{CPI}_A$  is:

- (A) the CPI as at March in the Year immediately following the Availability Date  
divided by:
- (B) the CPI as at March in the Year of the Availability Date.

$\theta\text{CPI}_B$  is:

- (A) the CPI as at March in the Year immediately preceding the Connection Date  
divided by
- (B) the CPI as at March in the Year immediately preceding the Year in paragraph (A) above.

"..." denotes:

- (A) the number of Years between the Year following the Availability Date and the Connection Date; and
- (B) that in each of the Years in paragraph (A) there is to be applied an index which is:
  - (i) the CPI as at March of that Year;

divided by

- (ii) the CPI as at March of the Year immediately preceding the Year in paragraph (i) above.

## 4 Worked example

For example, if the proposed Availability Date for a Property is January 2012, and the Connection Date for that Property is May 2016, the charge under clause 2(b) of this schedule is calculated by applying the formula in clause 3(c) of this schedule as follows:

$$P_{\text{example}} = \text{Connection price}_{2012} \times (\theta\text{CPI}_{2013}) \times (\theta\text{CPI}_{2014}) \times (\theta\text{CPI}_{2015})$$

Where:

$P_{\text{example}}$  means the price that may be levied by Sydney Water in this example

$\text{Connection price}_{2012}$  means the price for connection at the Availability Date,

which is the amount derived from  $\left[ \frac{(PV(K) - PV(R - C))}{PV(S)} \right]$

$$\theta\text{CPI}_{2013} = \left( \frac{CPI_{\text{Mar}2013}}{CPI_{\text{Mar}2012}} \right)$$

$$\theta CPI_{2014} = \left( \frac{CPI_{Mar2014}}{CPI_{Mar2013}} \right)$$

$$\theta CPI_{2015} = \left( \frac{CPI_{Mar2015}}{CPI_{Mar2014}} \right)$$

Assume in this example PV(S) is calculated in the following way:

Sydney Water estimates that the total Equivalent Tenements for the minor service extension is 20. S is so much of the 20 Equivalent Tenements that Sydney Water estimates is attributable to connections in each of the following Years.

If 10 Equivalent Tenements were expected to connect to the system in the first Year it became available, 4 in the next and the remaining 6 in the third, then applying a discount rate of 7%:

$$PV(S) = 10 + \frac{4}{1.07} + \frac{6}{1.07^2} \approx 18.99$$



## Schedule 8 Definitions and interpretation

### 1 Definitions

#### 1.1 General definitions

**Application Date** is the date on which a person applies in writing to Sydney Water for a Minor Service Extension.

**Availability Date** is the date on which a Property is capable of being connected to the Water Supply System and/or Sewerage System, following a Minor Service Extension, irrespective of whether the Property is connected on that date.

**Backpackers Hostel** means tourist and visitor accommodation that:

- (a) has shared facilities, such as a communal bathroom, kitchen or laundry, and
- (b) will generally provide accommodation on a bed basis (rather than by room).

**Billing Cycle** means each Quarter during a Period.

**Boarding House** means a building that:

- (a) is wholly or partly let in lodgings; and
- (b) provides lodgers with a principal place of residence for 3 months or more; and
- (c) may have shared facilities, such as a communal living room, bathroom, kitchen or laundry; and
- (d) has rooms, some or all of which may have private kitchen and bathroom facilities, that accommodate one or more lodgers,

but does not include a Backpackers Hostel, a Hotel or Motel.

**Commencement Date** means the Commencement Date defined in clause 2.2 of the Preliminary section of this determination.

**Commercial Customer** has the meaning given to that term in the Trade Waste Policy.

**Common Meter** means a Meter which services a Multi Premises, where the Meter measures the water usage at that Multi Premises but not at each relevant Property located on or within that Multi Premises.

**Community Development Lot** has the meaning given to that term under the *Community Land Development Act 1989*.

**Community Parcel** has the meaning given to that term under the *Community Land Development Act 1989*.

**Company Title Building** means a building owned by a company where the issued shares of the company entitle the legal owner to exclusive occupation of a specified Company Title Dwelling within that building.

**Company Title Dwelling** means a dwelling within a Company Title Building.

**Connection Date** means the date on which a Property is connected to the Water Supply System and/or Sewerage System, following a Minor Service Extension.

**Date of Operation** means the later of:

- (a) the date on which ownership of the Pipeline is transferred to SDP; and
- (b) the date that the Licence Variation takes effect under the *Water Industry Competition Act 2006*.

**Determination No. 1, 2008** means IPART's Determination No. 1, 2008 entitled 'Prices for Sydney Water Corporation water, sewerage, stormwater and other services'.

**Discharge Allowance** means, in relation to a Meter Reading Period:

- (a) from the Commencement Date to 30 June 2013, 1.233kL per day;
- (b) from 1 July 2013 to 30 June 2014, 1.096kL per day;
- (c) from 1 July 2014 to 30 June 2015, 0.959kL per day;
- (d) from 1 July 2015 to 30 June 2016, 0.820kL per day,

multiplied by the number of days in that Meter Reading Period (where a Meter Reading Period traverses more than one of these periods, the Discharge Allowance is calculated by multiplying the allowance for each such period by the number of days in the Meter Reading Period that fall within such period, and aggregating those amounts).

**DF% or Discharge Factor** means in relation to a Property, the percentage of water supplied to that Property which Sydney Water assesses or deems to be discharged into the Sewerage System.

**Exempt Land** means land described in part 1, schedule 2 (and not described in part 2, schedule 2) of the *Sydney Water Act 1994*.

**Filtered Water** means water that has been treated at a water filtration plant.

**GST** has the meaning given to that term in *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

**Hotel or Motel** means a building or place that provides temporary or short-term accommodation on a commercial basis and that:

- (a) comprises rooms or self-contained suites; and
- (b) may provide meals to guests or the general public and facilities for the parking of guests' vehicles.

**Individual Meter** means a Meter which services a Property, where the Meter measures the water usage at that Property.

**Industrial Customer** has the meaning given to that term in the Trade Waste Policy.

**IPART** means the Independent Pricing and Regulatory Tribunal of New South Wales established under the IPART Act.

**IPART Act** has the meaning given in clause 1.1 of the Preliminary section of this determination.

**kL** means kilolitre or one thousand litres.

**Licence Variation** means a variation to SDP's Network Operator's Licence such that the Pipeline forms part of the Water Industry Infrastructure covered by that licence.

**Local Government Act** means the *Local Government Act 1993* (NSW).

**Meter** means an apparatus for the measurement of water usage.

**Metered Multi Premises** means a Multi Premises that is serviced by a Meter.

**Metered Non Residential Property** means a Non Residential Property that is serviced by a Meter.

**Metered Property** means a Metered Residential Property or a Metered Non Residential Property.

**Meter Reading Period** means a period equal to the number of days between:

- (a) the date on which the Meter was last read (or taken to have been read) by Sydney Water; and
- (b) the date on which the Meter was read (or taken to have been read) by Sydney Water immediately preceding the date in paragraph (a).

**Metered Residential Property** means a Residential Property that is serviced by a Meter.

**Metered Standpipe** means a metered device for connecting to the Water Supply System to enable water to be extracted.

**Minor Service Extension** means a service provided by Sydney Water to extend the Sewerage System and/or the Water Supply System to Properties which are not connected to the Sewerage System and the Water Supply System where the owners of those Properties (which are capable of being connected) request to be connected to the Sewerage System and/or the Water Supply System.

**Mixed Multi Premises** means a Multi Premises which contains both Residential Properties and Non Residential Properties.

**Monopoly Services** means the Monopoly Services defined in clause 1.3 of the Preliminary section of this determination.

**Multi Premises** means a premises where there are two or more Properties, excluding premises that are:

- (a) Hotels or Motels; or
- (b) Backpacker Hostels.

**Network Operator's Licence** has the meaning given in the *Water Industry Competition Act 2006*.

**New Property** means a Property that, prior to 1 July 2012, has not been occupied as a place of residence or business.

**Non Residential Multi Premises** means a Multi Premises containing only Non Residential Properties.

**Non Residential Property** means a Property that is neither a Residential Property nor Vacant Land.

**Order** means the Order defined in clause 1.3 of the Preliminary section of this determination and published in Government Gazette No. 18, on 14 February 1997.

**Owners Corporation** has the meaning given to that term under the *Strata Schemes Management Act 1996*.

**Period** means:

- (a) the Commencement Date to 30 June 2013;
- (b) 1 July 2013 to 30 June 2014;
- (c) 1 July 2014 to 30 June 2015; or
- (d) 1 July 2015 to 30 June 2016 (as the case may be).

**Pipeline** means the pipeline system running from Lot 2 in Deposited Plan 1077972 in the suburb of Kurnell to Lot A in Deposited Plan 365407 in the suburb of Erskineville and consisting of the following infrastructure:

- (a) an overland pipeline running from the drinking water pumping station at the Sydney Desalination Plant to Silver Beach;
- (b) a marine pipeline running from Silver Beach to a point 800 metres offshore from Silver Beach;
- (c) twin marine pipelines running from 800 metres offshore of Silver Beach to Cook Park, Kyeemagh; and
- (d) an overland pipeline running from Cook Park, Kyeemagh to the connection valve at Shaft 11C on the City Tunnel at Bridge Street, Erskineville.

**Property** means:

- (a) a Strata Title Lot;
- (b) a Company Title Dwelling;
- (c) a Community Development Lot;
- (d) a building or part of a building used, or available to be used, as a separate place of domicile or separate place of business;
- (e) land;
- (f) a Hotel or Motel; or
- (g) a Backpackers Hostel.

**Quarter** means a consecutive period of three months ending on 31 March, 30 June, 30 September or 31 December, as the case may be. Where a Period includes only part of a Quarter that part is deemed to be a Quarter for the purposes of calculating prices in this determination.

**Rateable Land** has the meaning given to that term under the Local Government Act.

**Recycled Water** means water that has been treated to enable its use for certain industrial, commercial and/or household applications, but is not intended to meet the standards for drinking water required by the National Health and Medical Research Council's Australian Drinking Water Guidelines.

**Residential Multi Premises** means a Multi Premises containing only Residential Properties.

**Residential Property** means a Property where:

- (a) in the case of that Property being Rateable Land, that Property is categorised as residential under section 516 of the Local Government Act; or

- (b) in the case of that Property not being Rateable Land, the dominant use of that Property is residential, applying the classifications in section 516 of the Local Government Act.

**Rouse Hill Development Area** means the area in the map in Attachment A that is bounded by the dark blue line, excluding that area bounded by a light green line until such time as that area is redeveloped to form part of the Rouse Hill Development Area.

**Rouse Hill New Property Charge** has the meaning given in clause 7 of schedule 3.

**Rouse Hill Recycled Water Plant** means the sewage treatment and recycling plant located in Rouse Hill which supplies Recycled Water to parts of Acacia Gardens, Beaumont Hills, Castle Hill, Glenwood, Kellyville, Kellyville Ridge, Parklea, Quakers Hill, Stanhope Gardens, The Ponds, Rouse Hill and surrounding areas.

**SDP** means Sydney Desalination Plant Pty Limited (ACN 125 935 177).

**SDP Determination** means:

- (a) IPART's Determination No. 2, 2011 entitled 'Prices for Sydney Desalination Plant Pty Limited's Water Supply Services'; or
- (b) if IPART's Determination No. 2, 2011 has been replaced, the determination in force at the relevant time which sets maximum prices for SDP's water supply services.

**Sewerage System** means the sewerage system of Sydney Water.

**Stormwater Drainage Area** has the meaning given to that term under the *Sydney Water Act 1994*.

**Strata Title Building** means a building that is subject to a strata scheme under the *Strata Schemes (Freehold Development) Act 1973*.

**Strata Title Lot** means a lot as defined under the *Strata Schemes (Freehold Development) Act 1973*.

**Sydney Water** means Sydney Water Corporation, as defined in clause 1.2 of the Preliminary section of this determination, constituted under the *Sydney Water Act 1994*.

**Trade Waste Policy** means Sydney Water's *Trade Waste Policy* (2007) as amended from time to time.

**Unfiltered Water** means water that has been chemically treated but not treated at a water filtration plant.

**Unmetered Non Residential Property** means a Non Residential Property that is not serviced by a Meter.

**Unmetered Property** means an Unmetered Residential Property or an Unmetered Non Residential Property.

**Unmetered Residential Property** means a Residential Property that is not serviced by a Meter.

**Vacant Land** means land with no capital improvements and no connection to the Water Supply System.

**Water Supply System** means the water supply system of Sydney Water.

## 1.2 Consumer Price Index

$$(a) \Delta CPI_1 = \left( \frac{AdjustedCPI_{March2013}}{AdjustedCPI_{March2012}} \right) - 1$$

$$\Delta CPI_2 = \left( \frac{AdjustedCPI_{March2014}}{AdjustedCPI_{March2012}} \right) - 1$$

$$\Delta CPI_3 = \left( \frac{AdjustedCPI_{March2015}}{AdjustedCPI_{March2012}} \right) - 1$$

each as calculated and notified by IPART, where:

- (1) AdjustedCPI means CPI less Carbon Price Impact;
- (2) CPI means the consumer price index, All Groups index number for the weighted average of eight capital cities as published by the Australian Bureau of Statistics, or if the Australian Bureau of Statistics does not or ceases to publish the index, then CPI will mean an index determined by IPART;
- (3) Carbon Price Impact means:
  - (A) the impact of the Carbon Price on the CPI as estimated and published by the Australian Bureau of Statistics; or
  - (B) if the Australian Bureau of Statistics does not publish an estimate of the impact of the Carbon Price on the CPI, the impact of the Carbon Price on the CPI as estimated and published by the Reserve Bank of Australia; or
  - (C) if neither the Australian Bureau of Statistics nor Reserve Bank of Australia has published an estimate of the impact of the Carbon Price on the CPI, the impact of the Carbon Price on the CPI as published by the Commonwealth Treasury in *Strong growth, low pollution: modelling a carbon price - update* (2011), Commonwealth Treasury, or as updated from time to time; and

- (4) Carbon Price means the carbon price scheme implemented under the *Clean Energy Act 2011* (Cth).
- (b) The subtext (for example <sup>March2013</sup>) when used in relation to the AdjustedCPI in paragraph (a) above refers to the each of the CPI and Carbon Price Impact for the quarter and year indicated (in the example, the March quarter for 2013).

## 2 Interpretation

### 2.1 General provisions

In this determination:

- (a) headings are for convenience only and do not affect the interpretation of this determination;
- (b) a reference to a schedule, annexure, clause or table is a reference to a schedule, annexure, clause or table to this determination unless otherwise indicated;
- (c) a construction that would promote the purpose or object expressly or impliedly underlying the IPART Act is to be preferred to a construction that would not promote that purpose or object;
- (d) words importing the singular include the plural and vice versa;
- (e) a reference to a law or statute includes regulations, rules, codes and other instruments under it and consolidations, amendments, re-enactments or replacements of them;
- (f) where a word is defined, other grammatical forms of that word have a corresponding meaning;
- (g) a reference to a day is to a calendar day;
- (h) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation), replacements and assigns;
- (i) a reference to an officer includes a reference to the officer which replaces it or which substantially succeeds to its powers or functions;
- (j) a reference to a body, whether statutory or not:
  - (1) which ceases to exist; or
  - (2) whose powers or functions are transferred to another body,is a reference to the body which replaces it or which substantially succeeds to its powers or functions.



## **2.2 Explanatory notes, simplified outline, examples and clarification notice**

- (a) Explanatory notes, simplified outlines and examples do not form part of this determination, but in the case of uncertainty may be relied on for interpretation purposes.
- (b) IPART may publish a clarification notice in the NSW Government Gazette to correct any manifest error in or to clarify any part of this determination. Such a clarification notice is taken to form part of this determination.

## **2.3 Prices exclusive of GST**

Prices or charges specified in this determination do not include GST.

## **2.4 Billing**

- (a) For the avoidance of doubt nothing in this determination affects when Sydney Water may issue a bill to a customer for prices or charges under this determination.
- (b) If a Meter Reading Period commences before the Commencement Date and ends after the Commencement Date, the water usage charge or sewerage usage charge applying to the whole of that Meter Reading Period is the charge calculated under Determination No. 1, 2008.
- (c) Subject to clause 2.4(b) above, if a Meter Reading Period traverses more than one Period, Sydney Water must levy any charge applying in this determination on a pro-rata basis.

## **2.5 Apparatus for checking quantity of water used**

For the purposes of this determination, where an apparatus is used by Sydney Water to check on the quantity of water use recorded by a Meter, that apparatus will not fall within the definition of a 'Meter'.

## Schedule 9 Statement of reasons why IPART has chosen to set a methodology for fixing a maximum price

Under section 13A of the IPART Act, IPART may fix maximum prices, or may set a methodology for fixing maximum prices, for the Monopoly Services.

In this determination, IPART has set a methodology for fixing the maximum prices that Sydney Water may charge as service charges for:

- (a) water supply services in Schedule 1; and
- (b) Minor Service Extensions in Schedule 7.

### *Methodology to fix maximum prices for water supply services in Schedule 1*

Over each Period, Sydney Water will purchase bulk water from the Sydney Catchment Authority and, when dam storage levels fall below 70% until dam storage levels reach 80%, from SDP.

The SDP Determination sets different prices depending on the desalination plant's mode of operation. It is impractical to make a determination of water supply service charges directly fixing a maximum price. Instead, a methodology is required to allow Sydney Water to pass through to customers the additional costs incurred when the desalination plant is in its different modes of operation.

IPART has adopted such a methodology to ensure that the prices charged to consumers by Sydney Water reflect the actual price that it pays SDP for water. The methodology adopted by IPART in Schedule 1 of this determination permits an adjustment of the water service charge to reflect the actual price of water supplied by SDP to Sydney Water under the SDP Determination, which depends on the mode of operation of the desalination plant.

### *Methodology to fix maximum prices for Minor Service Extensions in Schedule 7*



The methodology set out in Schedule 7 of this determination has been adopted to fix maximum prices for Minor Service Extensions. This methodology:

- (a) allows the capital costs of Minor Service Extensions to be divided amongst benefiting properties; and
- (b) adjusts the charge to reflect the timing of connection to the Water Supply System or Sewerage System.

It is impractical to directly fix a maximum price which would allow for (a) and (b) above, and it is for this reason that IPART has adopted the methodology referred to above.

## Attachment A Rouse Hill Development Area

Rouse Hill River Management

-  1993 Gazetted Rouse Hill River Management Area
-  Properties in Kellyville pay normal drainage charges until redeveloped

