

## FACT SHEET

# Draft prices for Sydney Water's Trade Waste customers

Based on *Draft determination and report for Sydney Water's prices*  
March 2012

On 16 March 2012, IPART released its draft determination on the prices that Sydney Water can charge for providing water and related services to its customers during the four years from 1 July 2012 to 30 June 2016.

This fact sheet has been prepared to provide information specific to Sydney Water's customers receiving trade waste services. These customers are invited to make written comments on our draft decisions by 13 April 2012. The draft report is available on IPART's website ([www.ipart.nsw.gov.au](http://www.ipart.nsw.gov.au)). We expect to complete our review and release our final determination in June 2012.

### Draft prices

Trade waste is wastewater from commercial and industrial customers with pollutant concentrations that exceed a domestic equivalent.<sup>1</sup> Commercial and industrial customers are charged based on the mass of pollutants discharged to the sewer that are above domestic equivalents (pollutant charges), and pay application and agreement fees to Sydney Water to cover the cost of establishing and processing new applications, administering agreements, inspections and monitoring trade waste discharges.

Trade waste pollutant charges cover the cost of transport, corrosion and treatment of trade wastewater.

In our draft determination, we have decided not to set prices for trade waste charges, with the exception of the Wastesafe charge, as we consider that further investigation needs to be undertaken to establish the cost reflectivity of the charges and manage the impacts of price changes. We will also examine the interactions between Sydney Water's proposed trade waste charges and lower non-residential sewerage usage charges to assess the overall impacts on trade waste customers' bills.

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<sup>1</sup> A domestic equivalent is a concentration or level the same as would be found in household wastewater.

We held a workshop and invited representatives of trade waste customers to discuss Sydney Water's original submission in January. Sydney Water has provided a supplementary submission to address the trade waste issues, and stakeholders have the opportunity to comment on this submission until 13 April 2012. We will also hold a further workshop in our offices in the second half of April 2012. Full details will be published on our website.

### **Wastesafe Charges**

Wastesafe is Sydney Water's tracking system for monitoring the generation, collection, transportation and disposal of liquid waste. In the 2012 draft determination, we have allowed Sydney Water to change the charging structure for the Wastesafe system.

Under the current approach:

- ▼ Contractors are responsible for cleaning customers' liquid waste traps and transporting the liquid waste to depots for treatment.
- ▼ These contractors bill customers directly for cleaning the traps and transporting the waste.
- ▼ Customers pay Sydney Water a volumetric charge for processing and treatment of the liquid waste at (privately owned) depots, and depots bill Sydney Water for processing and treatment.

Currently, the costs of running the Wastesafe system are recovered by the difference in charges that waste generators pay to Sydney Water for processing and treatment and the amount that Sydney Water rebates to depots for processing and treatment. From July 2014, contractors will bill customers for cleaning, transport, processing and treatment and will take over responsibility for payments to the depots for processing and treatment.

To fund the continued running of the Wastesafe system, we are allowing Sydney Water to introduce the following charges:

- ▼ A fixed charge per waste trap.
- ▼ Charges for inspections required as a result of missed pump-outs.

To allow Wastesafe customers adequate time to transition to the new charging system, it will be introduced on 1 July 2014. Our draft decision on Wastesafe charges is shown in the table below.

**Table 1 Draft Decision on Wastesafe Charges (\$2011/12)**

<b>Charges</b>	<b>Units</b>	<b>2012/13</b>	<b>2013/14</b>	<b>2014/15</b>	<b>2015/16</b>
Fixed \$/liquid waste trap charge	\$/liquid waste trap/year	NA	NA	92.85	92.85
Missed service (pump-out) inspection charge for liquid waste traps <=2kL	\$/liquid waste trap/event	NA	NA	255.75	255.75
Missed service (pump-out) inspection charge for liquid waste traps >2kL	\$/liquid waste trap/event	NA	NA	511.50	511.50
Processing grease trap waste	\$/litre	0.14	0.14	NA	NA