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By email: IPART

28 March 2018

Re: Catherine Hill Bay Network Operator Variation

I refer to the above application and make the following comments.

I am a current customer of this applicant and landowner within the Catherine Hill Bay Estate to which it supplies water, recycled water and sewerage services.

I have inspected the application for variation and make the following comments:

1. **Missing Information in relation to the entity, profitability and financial viability:** It is not in the public interest for any of the missing items of information in relation to the ownership of the entity, its structure, its estimated profitability or viability. This information is essential for the public to understand the risk associated with this entity. It is totally unreasonable this information be withheld on the grounds it is confidential. This business is supplying essential services and the public has a right to know what the structure and substance of it is.
2. **Monopoly Supplier must be declared:** I cannot understand how IPART ultimately recommended to the Minister that Solo Water's current operations not be considered a Monopoly despite noting they could be considered one in the original IPART Assessment of Catherine Hill Bay Water Utility's network operator's licence application. No grounds were provided for that recommendation Section 51 of the Water Competition Act (WCA) 1986 clearly outlines the basis of Monopoly suppliers and Solo Water must be considered a Monopoly. It provides and charges without choice for the services to a clearly defined area, it is not possible to connect to any other suppliers (Hunter Water will not provide such service), there is no contestable market from potential suppliers (Hunter Water being the only other potential supplier and it has confirmed no intention to supply now or in the future) and the Minister under the Environmental Planning and Assessment

Act in approving the original subdivision development required a water and sewerage service be provided.

The consequence of the current licence not being declared a Monopoly is that those who are supplied services are being charged significantly more than they should be. It is not in the public interest to allow this to continue and there is strong objection to the current arrangement from Solo Water's customers.

3. **Lack of pricing transparency in this application:** The customer experience with the services provided pursuant to the current licence is that Solo Water fees and charges are significantly higher than and other equivalent supplier. Of not some of their connection charges are many times Hunter Waters charges notwithstanding no difference in service delivery complexity. No further licence variation should be granted until all fees and charges are disclosed and reviewed by IPART. The purpose of the WCA was to protect households from being overcharged - the exact opposite of the current situation. IPART has an obligation to remedy this in the current application.
4. **Need for a customer service performance plan:** The experience has been that Solo Water are extremely slow to provide important customer services. For example there are many reports of it taking up to 8 weeks to provide a basic pre-DA lodgement stamping – a service provided most times immediately over the counter by other water and sewerage utilities. This has meant owners have incurred thousands of dollars holding cost while they wait for Solo Water to furnish such consent. A service standard must be imposed that obligates the supplier to provide timeframes for these key customer services.

Yours sincerely,

[REDACTED]

[REDACTED] [REDACTED]