Author name: D. Bowden

Date of submission: Wednesday, 2 October 2019

Submission: I would like you to consider an alternative model for calculating sewerage charges which make up a significant part of a water bill. In my case my water usage is approximately \$100 per quarter but the sewerage charge is \$218.

Most homes particularly new ones have large roof water storage capability. This will reduce the volume of water being provided by Hunter Water. However as in our case I use most of this water on my garden. I also use Hunter Water for my garden during dry spells. None of this goes through the sewer and therefore is not a processing cost to Hunter Water.

My understanding is that the sewerage charge is a set price based on the total cost operating the sewerage system operation divided by the total number of connected users. This ignores any variation on the actual sewerage volume created by each user. If the concept of user pays is applied to the sewerage charge then there should be two components to the total cost. One is the fixed cost of the system and the other is the user generated volume which flows through that system.

It would seem reasonable to change all connected users some part of the total system cost eg 70% but there should be a method of obtaining the rest of the total system cost by linking it to the volume of water introduced to the sewer by all users. This aspect may be a bit problematic to calculate but it should be related to the expected volume of water actually drawn from Huner Water and exported to the sewer. Not all water drawn from Hunter Water is processed by the sewerage system WG garden use, external washing eg car and other uses which do not add water to the sewer.

I feel sure there are techniques and examples of other water boards where user pays concepts are used to calculate sewerage charge. I believe Hunter Water was one of the first water organisations to base their charges on user pays going back to the 1970s. Please consider applying user pays logic to the sewerage charge.