

28 October 2019

IPART NSW

RE: **Prices for Sydney Water Corporation 1st July 2020 – particularly questions issued via email to WSC providers**

Thank you for the opportunity to provide comment on the current IPART review.

Questions from IPART email;

- Are there any significant obstacles in the market, such as information gaps or high costs of entry, which make it difficult for small to medium developments to obtain a Section 73 Compliance Certificate?
- What was the level of competition in the market prior to SWDD and since SWDD was launched? Does SWDD have an unfair advantage in the market?
- What impact does Sydney Water's vertical integration of the developer direct program have on WSCs competing in the market for the supply to customers for the management of the process (which includes minor construction services)?
- Are there any other benefits or costs from SWDD providing these services?
- How should we approach whether and how to price regulated SWDD construction services?

Dot point response to some of the above questions (more info available upon request)

- Generally WSC's do not have equal access to information; Particularly Sewer Service Diagrams required to investigate every application (that was available at beginning of WSC contract/SWDD services however removed without warning mid-year, being only the first out of a 5-year WSC provider contract) – see flyer attached for our customer information
- Various Hydra (GIS) layers are not available to WSC suppliers (including disused asset info, photo overlays, contour layers etc) that assist in the evaluation of an application – this info must be obtained in other ways (time=money)
- SWDD does not use/require AutoCAD – rather a direct input into their GIS system which is not an option for WSC. An AutoCAD license cost about \$5K initially with about \$2K annual subscription (each) and is required to prepare plan/information to meet our contract requirements (contract format of information) – SWDD obviously is annually many thousands of \$ ahead already (per user license)
- SWDD designer listing requirements – new mandatory Engineering Competency Standard introduced within past 12 months dramatically skewed existing and new designer accreditations, and in this instance a S1 designer (C1 accreditation in ECS standard) must be engaged to design/manage new minor sewer works (and requires minimum of 40 hours of CPD training to maintain listing = \$\$\$) – we have concerns that the same rules are not being applied internally with Sydney Water designers as to WSC suppliers.
- WSC suppliers are obliged to have a current 3rd party audited/certified Quality Assurance system in place (with Project Specific Quality plan) as part of Contract. We are not aware of the SWDD teams credentials in this regard (although we believe they are not certified, as we must be).

Should you have any queries in regard to this matter please do not hesitate to contact our office.

Yours faithfully,
LANDPARTNERS PTY LTD

Craig Paton
Water Infrastructure Manager

Sydney Water Application price increase

Over the past 5 years we have kept our total Sydney Water application fees constant and as low as possible by absorbing the annual NSW Government I.P.A.R.T. increases (about 3-4% added each year) applied to the Sydney Water application fees, and by reducing our processing charges.

Sydney Water recently made an unexpected business decision to immediately stop providing Water Servicing Coordinators access to domestic Sewer Service Diagrams (SSD's) free of charge.

SSD's are used to identify the current domestic connection points on existing sewer mains, check for trespassing or joint domestic sewer connections (for your property and surrounding lots that may encroach onto your site) and are an essential record required to complete an investigation of your developments sewer servicing requirements.

Until recently Water Servicing Coordinators were considered part of the Sydney Water asset creation stream (by bringing new rateable lots online) and had been provided the SSD's free of charge to carry out investigation functions for Sydney Water applicants. SSD's have been provided as a working tool for the past 15 years.

Water Servicing Coordinators must now purchase SSD's via Tap-in at a cost of \$29.41 (including GST) each, to conduct the investigation.

Generally, a s.73 application requires between 3 to 6 SSD's to be obtained. To cover the cost of purchasing Sydney Water's records for your application we must now increase our overall s.73 application prices by \$150 (including GST) to cover these new expenses.

We sincerely apologise for this increase; however we cannot bear this new cost of obtaining base information required to investigate your application.

If you require any confirmation of the above, or would like to comment directly to Sydney Water regarding this recent change, please forward your comments and enquiries to providerservices@sydneywater.com.au