

IPART

Level 15

2-24 Rawson Place

SYDNEY 2000

To Whom It May Concern,

Subject: Review of Developer Charges – Sydney Water’s ‘Developer Direct’

By creating Sydney Water Developer Direct, Sydney Water has engaged itself in an established competitive free market which itself created and has entered itself in this market with processes and charges not based on market forces or a need for profitability.

The upfront charge of \$495.03 for the listed number of services, when divided Sydney Water’s standard hourly charge of \$149.31 the hours allowed to complete this part of the process in 3.32 hours. Based on our many years of experience in this industry this is totally inadequate estimate.

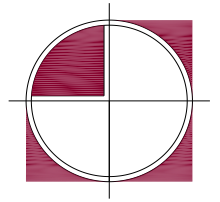
We already understand that Sydney Water is not applying the same standards of product that is required of the Water Servicing Coordinator which would bring about certain savings however it seems somewhat extraordinary that Sydney Water has created this service, as previously stated, in a competitive market with such an uneven playing field. There seems to be an intrinsic conflict of interest where a stat utility company is competing directly with service providers it has contracted to perform exactly the same service. In the “Background Summary of Contract” it clearly states “Water Servicing Coordinators are the major point of contact for developers and builders in obtaining Sydney Water advice and approvals for all new water services. **Sydney Water does not accept applications directly.**”

If Sydney Water are going to compete with Water Servicing Coordinator, then the playing field much be level. Each new job should be assessed and priced on it’s complexity as is done in the private sector. It would appear now Sydney Water is subsidising the process. Clearly in private industry this an unsustainable situation.

North Western Surveys Pty Ltd

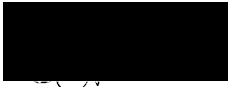
Surveyors, Engineers & Water Servicing Coordinators

A.B.N. 60 003 336 829



It is in our opinion that Sydney Water should, as previously stated, be made to accurately assess the cost of Sydney Water Developer Direct jobs but also keep accurate account of these jobs to prove break even at best and given the competitive nature of the work, be made to provide the identical product as a WSC using the same software, quality management systems and inspection regimes that the WSC is required to use under the terms of the contract.

Regards,



Dave Filmer

Manager, Water & Sewer Department