

As a resident of Wyong Shire Council I would like to object to the proposed rise in water charges within the Gosford Wyong Shire Local Government areas.

In response to the specific comments IPART seeks from residents:

1 The appropriate of the price rise for the 2013 determination period.

I am concerned that residential homess will have to endure significant price rises, whereas commercial stakeholders will not be subject to these increases. For example, the raise in the stormwater levy between now and 2014 will be 5 fold increase by 2014, whereas the proposed liquid trade waste charge for mercury will actually decrease (see table Table 1 of the Wyong Shire Updated Appendix 3 Oct 2012).

In my situation, current water charges of over \$745 will increase to over \$1,116 per annum in 2016/17, for no apparent benefit; except maintenance of current services. I also pay a \$25 charge for Stormwater Management Charge which does not appear in the list discussed in Council's submission to IPART, This Stormwater management charge is different to the 'Drainage Service Charge which is referred to in Council's submission as the 'Stormwater service Charge' (see Table 'Proposed price changes on an average residential bill' in Wyong Council's Fact Sheet. I do not know by how much the stormwater management charge will increase, and this should have been discussed in Council's submission to IPART regarding water charges.

2 The prudence of the Councils' capital expenditure over the current determination period.

I am concerned that Wyong (and Gosford) Councils have not been able to keep operating expenditure to forecasted budget. Presumably this increase in capital outlay is a result of the Mardi-Mangrove pipeline, however, there has been no explanation to the public as to why this expenditure blowout; especially when the Federal Government provided large financial contributions to the building of the Mardi- Mangrove Pipeline Project. Why do we have to keep paying for something that was already paid for?

3 The Councils' projected capital expenditure program, including expenditure drivers, proposed service outcomes and scope for efficiency gains, to be outlined in its submission.

Asides from a list, I found limited information regarding Council's capital expenditure program in their submission; except for promises to maintain and improve services to the local population. Council is proposing significant price rise. In the current economic climate, I would expect increased expenditure to go. It has also been noted that the population increase in the north of the Shire has actually been slower than forecast due to the current economic climate over recent years and that the Mardi to Warnervale trunk main, the Porters Creek drainage, Porters Creek Stormwater harvesting and other projects have been deferred. (see p. 48 of IPART Review of prices for water... services for Gosford and Wyong Shire Council). A number of other projects have been completed, some with partner funding sources, but it is not clear which have to be paid for by Wyong Council, and how much is left to pay. In these tight economic times, it would not be fair to require residents to pay twice for projects already complete. Many of the projects listed as 'on track' are vague and residents would have little knowledge of what they actually are; for example; 30. "Refurbish Mech; this is not a term that the community would necessarily understand.

4 The efficiency of the Councils operating costs over the current determination period and the efficiency of their projected operating costs (outlined in their submission).

5 The scope for the Councils to achieve further efficiency gains over the upcoming determination period.

6 The methodology and major assumptions used to develop the Councils' forecast

operating expenditures.

There is no information in Council's submission on any proposed efficiency gains, methodologies or assumptions used to forecast future expenditure.

7 The level of the Councils' forecast water sales for the upcoming determination period.

8 The Councils' methodologies and assumptions used in developing their water sales forecasts.

There is no information on Council's forecast water sales.

9 The Councils' proposed price structures and levels for residential and non-residential charges for the 2013 Determination in terms of fixed and usage charges.

10 The evidence provided by the Councils in pricing submissions of customers' willingness to pay for the Councils' service levels and proposed expenditures.

As a resident of Wyong Council, the price increase in water charges will significantly affect my financial ability to own and maintain a residence in this shire. We have experienced rises in rates, electricity costs, insurance premiums, school fee raises; and water price rises as proposed will significantly add to the financial burden of home ownership in this area. I am a middle income earner, not a low income, or pensioner, and as such will not have access to any of the programs Council is proposing to ease the financial burden for low income or pensioners. Even though I am a 'middle income earner, my income has not increased at the same rate as all price rises and I am concerned that I may have to sell my property if rises continue.

11 Are the Councils' current service levels appropriate?

Yes, I believe Council's current level of service is appropriate. I have no evidence to suggest an improvement or augmentation is required.

12 The level of customer consultation that was undertaken in developing the Councils' expenditure programs and pricing proposals. Whether the mechanisms used for undertaking customer consultation were appropriate and adequate and the degree to which stakeholder input was taken into account in the development of the Councils expenditure and pricing proposals.

13 The evidence of customer support for discretionary expenditure, if the Councils have proposed to undertake any of this expenditure. Where the Councils are proposing to undertake this expenditure, whether the methods used for gathering evidence of customer support were appropriate and adequate, and how these methods could be improved.

Beyond consultation regarding the construction of the Mardi- Mangrove Pipeline project, which was supported with significant funds from Federal Government, and one Fact sheet (as available on IPART's website) I have not been aware of any customer consultation regarding increase in water, sewage, stormwater and trade waste charges.