

# Policy

## Provision of Wholesale Water Supply and Wastewater Services Version 1.0

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General Manager  
Water and Wastewater  
Council Policies/Procedures/Protocols

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# Provision of Wholesale Water Supply and Wastewater Services

## 1.1 Policy Objective

This Policy will explain the criteria and provisions under which Council will provide Wholesale Water Supply and Wastewater Services to water supply and wastewater schemes licensed by IPART under the Water Industry Competition Act 2006.

The areas it covers are:

- Wholesale Water Supply Services and
- Wholesale Wastewater Services

## 1.2 Definitions

<b>Wholesale Customer</b>	A customer who buys water and/ or wastewater services from Tweed Shire Council and on-supply these services to end use customers. A Wholesale Customer is licensed by IPART under the Water Industry Competition Act 2006 (WIC Act) to operate and retail the services.
<b>Wholesale Connection Point</b>	A wholesale Connection Point is the point where a wholesale service is delivered to a wholesale customer's infrastructure.
<b>Equivalent Tenement</b>	Is a standard measure used to assess the demand or loading of a particular development will have on Council's Water Supply and Wastewater Infrastructure. It is based on the water consumption or sewage discharge for an average residential dwelling or house, based on state-wide data.
<b>IPART</b>	Independent Pricing and Regulatory Tribunal
<b>DPI Water</b>	Department of Primary Industries Water Branch which regulates Liquid Trade Waste discharge to Council's wastewater system.
<b>Wastewater Services</b>	Sewerage Services

## 1.3 Policy Background

This Policy is being developed for the community to outline Council's Policy on the provision of Wholesale Water Supply and Wastewater Services to water supply and wastewater schemes licensed by IPART.

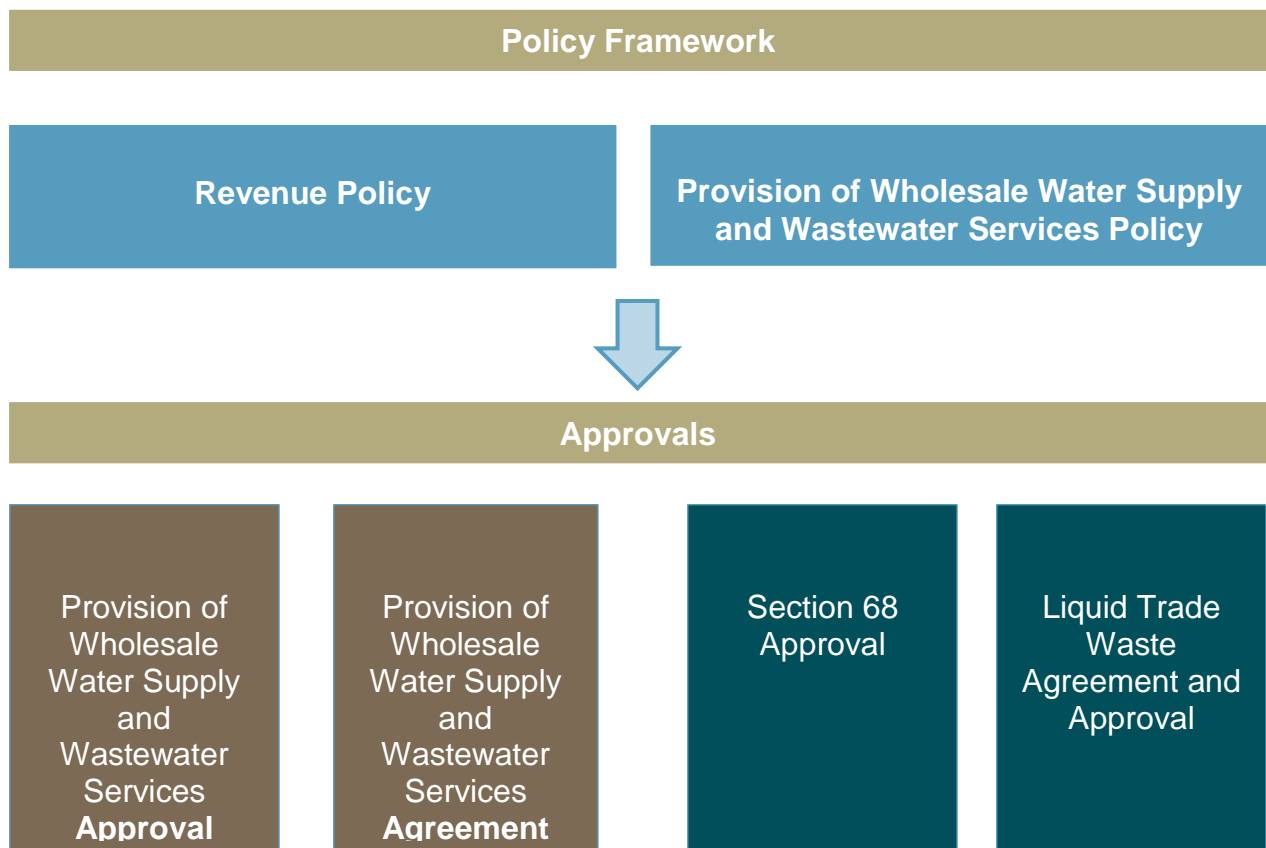
## 2 Policy

### 2.1 General

The retailers and operators of water supply and wastewater schemes licensed by IPART may apply for the wholesale supply of water supply and wastewater services from Council.

To connect or draw water from a Council supply, an application must be made to Council under s68 of the Local Government Act 1993. Similarly to connect a sewer to a sewer controlled by Council an application must be made to Council under s68 of the Local Government Act 1993.

### 2.2 Policy Framework



## **3 Application Process**

### **3.1 Application**

The Application for the provision of Wholesale Water Supply and or Wastewater Services is to be a detailed written application accompanied by a detailed water balance report for the proposal.

The water balance report is to address:

- Types of services provided (water supply, wastewater, recycled water)
- Lot numbers
- Lot water balances
- Bulk water balances
- Detail of assumptions made in preparing the water balances sufficient for consideration by Council.

The Applicant must also submit an Application to discharge liquid trade waste to the wastewater system. Note that Council will be required to seek the concurrence of DPI Water with any such Liquid Trade Waste Agreement.

The Applicant is to also submit all other information requested by Council.

### **3.2 Criteria in the consideration of the application**

- The potential for the wholesale services to impact on Council's ability to service its existing residents
- The potential for impacts on Council's infrastructure
- The capacity of Council's infrastructure to provide the wholesale services
- Any discharge of Liquid Trade Waste to Council's infrastructure

## **4 Approval**

### **4.1 Approval of the Application**

The approval of any Application will be conditional on:

- The applicant entering into an agreement with Council (The Agreement) for the wholesale supply of water supply and or wastewater services to the applicant
- Any other conditions considered appropriate by Council

Council may approve an Application only through a resolution of Council

## **4.2 Entering into an Agreement**

The approval of any application will be through a resolution of Council.

Council may enter into an Agreement only through a resolution of Council.

All costs incurred by Council in the preparation of the Agreement are to be met by the Applicant.

## **5 The Agreement**

### **5.1 General**

The agreement will detail the commercial and operational matters relating to the wholesale supply of water supply and or wastewater services to the applicant.

### **5.2 Term of Agreement**

The Term of the Agreement will be for a period of four (4) years with the option for renewal after each four (4) year period.

### **5.3 Flows**

The Agreement will specify the maximum flows of water to be provided to the applicant.

The Agreement will specify the maximum flow of wastewater to be received from the applicant.

The flows will be specified in terms of:

- L/sec.
- kL/day and
- ML/annum

### **5.4 Fees and Charges**

#### **5.4.1 General**

The fees to be incurred by the applicant will be calculated in four components for:

- Infrastructure Provision
- Ongoing Access
- Usage
- Liquid Trade Waste

The fees will be determined by application of the Protocol - Determination of Fees for Provision of Wholesale Water Supply and Wastewater Services.

Due to the complexity of the fee calculation methodology, the quantum of fees and the possible financial impact on Council there needs to be multiple endorsement of any proposed fee structure being recommended to Council. Those who are to endorse the fees include but may not be exclusive to the Manager Water and Wastewater, the Manager Finance, the Director Engineering and the General Manager.

The initial year's fees will be specified in the Agreement with the notation that they will vary in accordance with Council's Fees and Charges.

Fees will be levied and payable monthly.

Fees will be levied under S608 of the Local Government Act 1993.

#### 5.4.2 Infrastructure Provision – Water Supply

The Fee for Infrastructure Provision for Water Supply will be determined by determining an Equivalent Tenement loading.

The Equivalent Tenement loading determined will be multiplied by Council's Capital Charge (or equivalent thereof) current at the time of charging, to determine the fee for Infrastructure Provision.

#### 5.4.3 Ongoing Access – Water Supply

The Fee for Ongoing Access will be determined using a Cost Minus approach. The Fee for Ongoing Access will be calculated on a case by case basis.

#### 5.4.4 Usage – Water Supply

The Fee for Usage will be the residential consumption charge as advised in Council's Fees and Charges as current at the time of charging.

#### 5.4.5 Infrastructure Provisions – Wastewater Services

The Fee for Infrastructure Provision for Wastewater Services will be determined by determining an Equivalent Tenement loading.

The Equivalent Tenement loading determined will be multiplied by Council's Capital Charge (or equivalent thereof) current at the time of charging, to determine the fee for Infrastructure Provision.

#### 5.4.6 Ongoing Access – Wastewater Services

The Fee for Ongoing Access will be determined using a Cost Minus approach. The Fee for Ongoing Access will be calculated on a case by case basis.

#### 5.4.7 Usage – Wastewater Services

The Fee for Usage will be the usage charge as advised in Council's Fees and Charges as current at the time of charging.

#### 5.4.8 Liquid Trade Waste

The Fees for Liquid Trade Waste will be as advised in the Liquid Tradewaste Agreement. See 5.9 Liquid Trade Waste.

#### 5.4.9 Usage above Equivalent Tenement entitlement purchased

The Agreement is to advise that in the event the use of Council's Wholesale Services exceeds the Equivalent Tenement entitlement purchased, the applicant will be required to pay further Fees for Infrastructure Provision as determined by Council.

### **5.5 Metering**

The supply of water is to be metered. The Agreement is to advise that the meter is to be installed by Council at the Applicants cost to a standard specified by Council. The meter is to be remotely monitored by Council. When installed access to the meter will be restricted to Council staff only.

The receipt of wastewater is to be metered. The Agreement is to advise that the meter is to be installed by Council at the Applicants cost to a standard specified by Council. The meter is to be remotely monitored by Council. When installed access to the meter will be restricted to Council staff only.

Meters are to be located on Council land so that Council may access the meters at any time.

### **5.6 Restrictions**

The Agreement is to advise that there will be a requirement to reduce water usage when restrictions are imposed by Council on Council's customers. Water usage is to be reduced in accordance with Council's Drought Water Restriction Policy v3.0.

### **5.7 Backflow Prevention Devices**

The Agreement is to advise that the supply of water is to be through a testable backflow prevention device located at the meter installation. The testable backflow prevention device is to be installed by Council at the Applicant's cost to a standard specified by Council.

### **5.8 Septicity Control**

Septicity in the wastewater discharged to Councils wastewater system is to be controlled such that there is no increase in odour emanating from Council's wastewater



infrastructure. This will be managed by and at the expense of the licence holder by their control of the quality of wastewater discharged into Council's wastewater system as assessed by Council.

A monitoring point is to be provided at the point of discharge into Council's wastewater system.

## **5.9 Liquid Trade Waste**

The Agreement is to advise that any discharge to Council's wastewater system will be subject to a Liquid Trade Waste Agreement in accordance with the Liquid Trade Waste Regulation Guidelines April 2009 or any update thereof.

Substances prohibited from being discharged include

- Organochloride weedicides, fungicides, pesticides, herbicides and substances of a similar nature and /or wastes arising from the preparation of these substances
- Organophosphorus pesticides, and /or wastes arising from the preparation of these substances
- Any substance liable to produce noxious or poisonous vapours in the wastewater system
- Organic solvents or mineral oils
- Any flammable or explosive substance
- Discharges from fuel depots
- Chromate
- Natural or synthetic resins, plastic monomers, synthetic adhesives, rubber or plastic emulsions
- Rain, surface water, seepage or sub soil water
- Solid matter
- Any substance assess by Council as not being suitable to be discharged into the Council's wastewater system.
- Waste that contains pollutants at concentrations which may inhibit the sewage treatment process
- Any other substances listed in a relevant regulation.

## **5.10 Licences**

Within the Agreement there will be a requirement for the operator/retailer of the water supply and or wastewater services to hold a current licence as issued by IPART for the operation and or retailing of water supply and or wastewater services.

## **5.11 Bulk Sales of Water**

The Agreement is to address bulk sales of water by the Applicant. The Applicant is not to make sales of water to tankers or any bulk customer.

## **5.12 Indemnity**

The Agreement is to indemnify Council from and against any claims, losses or expense (including legal costs on a solicitor and client basis) which Council pays, suffers, incurs or is liable for as a result of:

- Any unlawful, negligent, reckless or deliberately wrongful act or omission of the Applicant or its personnel or agents in connection with the supply of water supply, wastewater and recycled water services, including (without limitation) acts or omissions resulting in damage to property (including Council's property), personal injury or death.
- Any breach of this agreement by the Applicant.

## **5.13 No Assignment**

The Applicant may not assign or otherwise transfer its rights and obligation under the Agreement.

## **5.14 Disputes**

The Agreement is to advise that disputes between the Applicant and Council are in the first instance to be resolved between Council and the Applicant. It should be noted that any such resolution of a dispute may require a resolution of Council as it may be considered as a variation to the Agreement.

In the event a dispute cannot be resolved between Council and the Applicant the Agreement or Agreements, after providing six (6) months written notice, will be terminated.

## **5.15 Termination**

The Agreement is to advise that in the event of failure of the Applicant to pay levied fees or with any breach of the Agreement the Council may terminate the Agreement by giving three (3) months written notice.

The Agreement is to advise that the Agreement may be terminated by either party at their convenience with the provision of twelve (12) months written notice.

In the event of termination of the Agreement there will be no refund of fees for Infrastructure Provision or Access. Fees for Access and usage will be charged based on the access and usage up to the date of termination.

## **5.16 Representatives and Notices and Billings**

The Agreement is to detail to whom (the representative) and to where (address) notices are to be provided.

Notices served under the Agreement must be:

- In writing, directed to the representative nominated in the Agreement
- Forwarded to the address given in the Agreement

The billing address to be used is the address of the representative nominated in the Agreement.

## **6 Related Legislation**

- Local Government Act NSW 1993
- Water Industry Competition Act NSW 2006
- Water Act NSW 2000

and associated Regulations.

## **7 Compliance**

Non-compliance with this Policy will result in the immediate cessation of wholesale water and or wastewater services.

## **8 Review Period**

This Policy will be reviewed within 12 months of the election of each new Council or more frequently in the event of changed legislation or changes in circumstances.

## **9 Useful Links**

[Tweed Shire Council web site](#)  
[Office of Local Government web site](#)

**Version Control:**

<b>Version History</b>		
<b>Version #</b>	<b>Summary of changes made</b>	<b>Date changes made</b>
1.0	Creation of Policy	14/09/2017
1.0	Policy adopted by Council - Minute No 41	15 February 2018

