9 Pricing of Other Services

Central Coast Council

- This paper addresses three services provided by Central Coast Council – Liquid Trade Waste services, Recycled Water services and Miscellaneous services.
- Liquid Trade Waste: Council has approximately 1,300 customers connected to sewer and 22 tanker customers accessing its treatment plants. Liquid Trade Waste charges were reviewed for the 2022-26 period in line with IPART's pricing principles.
- Recycled Water: Central Coast recycled water schemes are voluntary only. Recycled water is currently used for onsite purposes at Council's sewage treatment plants as well as for some golf courses, bowling clubs and sports fields.
- Miscellaneous services: Separate miscellaneous and ancillary charges relate to specific one-off usage and have been revised to be cost reflective.

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1 Liquid trade waste charges

1.1 Background

Liquid Trade Waste (LTW) is any discharge other than sewage of domestic nature (i.e. wastewater from a hand wash basin, shower, bath, toilet or domestic laundry) to a sewerage system.

Sewerage systems are designed to safely collect, transfer, treat and dispose of wastewater that is mostly of domestic origin. Sewerage systems may also accept LTW discharges provided they are planned, approved and controlled within acceptable LTW limits.

Sound regulation and pricing of sewerage and LTW are key components of the NSW Best Practice Management of Water Supply and Sewerage Framework (July 2016). The Department of Planning, Industry and Environment (DPIE) develops and updates Liquid Trade Waste Management Guidelines (2021) and related documents, to assist Councils in regional NSW with best-practice regulation of sewerage and trade waste. DPIE has developed guidelines and documents in relation to:[1]

1. Approval to discharge
2. Liquid Trade Waste Management Guidelines

Council has a range of administrative and mass charges applying to the management of the discharge of LTW to its sewerage system. These services relate to commercial and industrial customers where there is available capacity at the receiving sewerage treatment plant (STP).

This technical paper provides a summary of the methodology and assumptions used for each of the charges specified under the following categories:

a) Administrative Charges (for Categories 1, 2, 3 and S)
   i) Application fee for each category
   ii) Annual trade waste fee for each category
   iii) Common re-inspection fee for all categories
b) Trade Waste Usage Charge for Category 2 Dischargers (Category 2 only)
   iii) Compliant
   iv) Non-compliant
c) Mass Based Charges (Category 3 only)
d) Septic Waste Charges (Category S only)

[1] Description by NSW Government NSW Department of Planning, Industry & Environment – Liquid Trade Waste

1.2 Trade waste agreements and risk classification

Council classifies its trade waste customers relative to the risk the discharge poses to the environment and to the treatment.

Classification takes into account:

- Water usage
- Containment discharge levels
- Business activity
- Capacity to receive said discharge into the treatment plants
- The extent of the on-site treatment prior to discharge

In its Liquid Trade Waste Management Guidelines, DPIE (2021) establishes a process for approval and regulation of LTW discharges to the sewerage system by Council. For concurrence purposes, four classifications have been established: Classifications A, B, C and S relate to the level of risk, i.e. low-risk, medium-risk and high-risk LTW, respectively. Classification S applies to human waste tankered from on-site sewage management facilities, dump points and ship-to-shore pump-outs.

For LTW charging purposes, DPIE (2021) prescribes four charging categories in its Liquid Trade Waste Management Guidelines, with examples of business activities shown in Table 1. An extensive list is available in the Liquid Trade Waste Management Guidelines DPIE (2021).

Table 1 Trade Waste Agreement Types and Risk Classifications

Agreement type	Description	Example Business Activities	Risk
Category 1	Activities requiring nil or minimal pre-treatment equipment where effluent is well defined.	Cafes and bakeries	Low
Category 2	Activities requiring prescribed pre-treatment equipment where effluent is well characterised.	Large retail outlets, restaurants, large pubs, shopping centres, mechanical workshops	Medium
Category 3	Activities of an industrial nature where large volumes of LTW (over 20 kilolitres per day) are discharged to the sewerage system.	Food manufacturing, metal processing, oil refinery, chemical production	High
Category S (Tanker)	Liquid Trade Waste discharged directly to treatment plant via a tanker.	Septic systems, commercial sewerage, portable toilet waste	High

There are approximately 1218 LTW approvals within Council's local government area (LGA), some with multiple dischargers attached. These are:

- Category 1 approvals - 165
- Category 2 approvals - 1005
- Category 3 approvals - 26
- Category S (Tanker) approvals - 22

Council has reviewed its LTW charges to ensure they are robust, appropriate and aligned with IPART's trade waste principles. Marsden Jacobs Associates reviewed Council's 2019 IPART submission for consistency with IPART's pricing principles (Figure 1) and recommended prices. Proposed pricing was accepted by IPART with minor amendments.

Box 12.1 Our pricing principles for trade waste prices

Applying appropriate pricing principles to trade waste requires that:

- Standards for acceptance should be based on the capacity of current systems to transport, treat, and dispose of the waste, having regard to the health and safety of wastewater workers.
- Trade waste prices should cover the efficient costs to the water supplier of handling the waste, including an allocation for corporate overheads.
- Prices should vary to reflect differences in the cost of treating waste to the required standards at particular locations.
- Water suppliers should set prices and standards in a manner that is transparent and accurate. The method of measurement should be reliable and the basis for setting prices should reflect costs incurred, as far as possible.

Where environmental reasons are given for variations from the above pricing principles then sufficient evidence needs to be available to justify these variations. The basis for calculating a price above the cost of service, where environmental justifications exist, should also be supported by sufficient evidence.

Figure 1: IPART Pricing Principle (IPART, 2019)[2]

1.3 Proposed Liquid Trade Waste charges

The current and proposed pricing structure for trade waste customers are shown in Table 2.

Table 2: Summary of Trade Waste Charges

Charge	Category 1	Category 2	Category 3	Category S
Application fee	✓	✓	✓	✓
Annual trade waste fee	✓	✓	✓	✓
Usage charge (compliant and non-compliant)	X	✓	X	X
Re-inspection fee	✓	✓	✓	✓
Mass based charges	X	X	✓	X
Septage and Septic effluent charge	X	X	X	✓
Domestic sewage	X	X	X	✓

1.3.1 Description of Charges

Council's application of charges from LTW dischargers is based on the administration and technical services required to process an application. Inspection fees are charged when an

[2] *Review of Central Coast Council's water, sewerage ad stormwater prices*

application or process requires onsite inspection and includes staff travel time and associated follow up. These charges are annual and cover the cost of administration and scheduled inspections, to ensure ongoing compliance with approval conditions. There are also charges for excess mass discharge that reflect the cost Council faces in accepting and handling the nominated substances. Table 3 identifies details of some of those charges. Proposed charges and potential revenue from LTW customers are shown in Table 4.

The methodology used to calculate the application, inspection, re-inspection and annual trade waste fees has changed from the current pricing determination. The proposed prices in this pricing submission have been calculated to align to IPART's pricing principles of full cost recovery for services provided. The proposed prices include cost of direct labour, transport, equipment and overheads. In the previous Council submission for the 2019 pricing determination, the methodology used recovered direct labour costs only. The proposed trade waste usage charges, excess mass charges and non-compliant excess mass charges for 2022-23 are the base prices for the next determination period with the appropriate CPI multiplier to be applied each year.

Figure 2: Poorly maintained pre-treatment devices affect downstream infrastructure

Table 3 Description of Central Coast Council Liquid Trade Waste Fees and Charges

Charge	Description and Activities Undertaken	Basis of Charge
Application Fee Category 1	Fee is inclusive of: • Application administration • Technical services • Discharger's classification • Complexity of processing	The "Best Practice Guidelines" do not provide default charges and as such require each water utility to set its own charge. The increased fee since 2019-20 is based on the 2019 IPART determination. The current level of service provided by Central Coast Council to support the charge is as follows: • a single inspection of premises • associated administration functions. Average travel time to/from premises: 60 minutes Average inspection time on premises: 15 minutes Average administration to process application: 20 minutes Category 1 applications are assessed by the LTW Officers.
Application Fee Category 2	Fee is inclusive of: • Application administration • Technical services • Discharger's classification • Complexity of processing	The "Best Practice Guidelines" do not provide default charges and require each water utility to set its own charge. The increased fee since 2019-20 is based on the 2019 IPART determination. The current level of service provided by Council to support the charge is as follows: • a single inspection of premises • associated administration functions. Average travel time to/from premises: 60 minutes Average inspection time on premises: 30 minutes Average administration to process application: 30 minutes Category 2 applications are assessed by the LTW Officers.

Charge	Description and Activities Undertaken	Basis of Charge
Application Fee Category 3	Fee is inclusive of: • Application administration • Technical services • Discharger's classification • Complexity of processing	The "Best Practice Guidelines" do not provide default charges and require each water utility to set its own charge. The increased fee since 2019-20 is based on the 2019 IPART determination. The assumptions used by Council to support the above charge are as follows: • two inspections of premises • associated administration functions by Council including liaison with Concurrence provider DPIE is estimated at 22 hours. Average travel time to/from premises: 60 minutes per inspection (two inspections). Average inspection time on premises: 60 minutes per inspection (two inspections). Average administration time to process application: 22 hours. Category 3 applications are assessed by the LTW Team Leader.
Application Fee Category S	Fee is inclusive of: • Application administration • Technical services • Discharger's classification • Complexity of processing	The "Best Practice Guidelines" do not provide default charges and as such require each water utility to set its own charge. The increased fee since 2019-20 is based on the 2019 IPART determination. The current level of service provided by Council to support the charge is as follows: •a single inspection and induction to site • associated administration functions, Average travel time to/from premises: 60 minutes Average inspection time on premises: 30 minutes Average administration to process application: 30 minutes. Category S applications are assessed by the LTW Officers.

Charge	Description and Activities Undertaken	Basis of Charge
Annual Trade Waste Fee Category 1	Fee relates to: • Dischargers conducting an activity requiring nil or only minimal pre-treatment equipment, where effluent is well defined and generally (but not completely) of low risk to the sewerage system. • A limited number of Category 1 LTW dischargers that DPIE has deemed to be of slightly higher risk. • Cost of administration and one scheduled inspection of the premises each year to ensure ongoing compliance with approval conditions. If more than one scheduled inspection is required due to LTW quality issues, the cost of any additional inspections is recovered through a separate re-inspection charge. The balance of Category 1 dischargers deemed by DPIE to be of zero or near zero risk attract no Trade Waste Usage Charge.	The "Best Practice Guidelines" do not provide default charges and as such require each water utility to set its own charge. The new LTW Policy continues to be based on State Government "Best Practice Management Guidelines". The increased fee since 2019-20 is based on the 2019 IPART determination. The current functions provided by Council to support the charge are: • an annual inspection of premises • associated administration functions. Average travel time to/from premises: 60 minutes per inspection (once yearly) Average inspection time on premises: 20 minutes per inspection (once yearly) Average administration time per annum: 20 minutes. The management of Category 1 dischargers is undertaken by the LTW Officers.
Annual Trade Waste Fee Category 2	Fee relates to: • Dischargers conducting an activity requiring prescribed pre-treatment equipment where effluent is well characterised. • Annual cost of administration and scheduled inspections to ensure ongoing compliance with the approval conditions.	The "Best Practice Guidelines" do not provide default charges and as such require each water utility to set its own charge. The new LTW Policy continues to be based on State Government "Best Practice Management Guidelines". The increased fee since 2019-20 is based on the 2019 IPART determination. The current functions provided by Council to support the charge are: • scheduled inspections of premises as required

Charge	Description and Activities Undertaken	Basis of Charge
	If more than the scheduled inspections are required due to LTW quality issues, the cost of any additional inspections is recovered through a separate re-inspection charge.	• associated administration functions. Average travel time to/from premises: 60 minutes per inspection (up to twice yearly). Average inspection time on premises: 30 minutes per inspection (up to twice yearly). Average administration time per annum: 45 minutes. The management of Category 2 dischargers is undertaken by the LTW Officers.
Annual Trade Waste Fee Category 3	Fee relates to: • Dischargers conducting an activity of an industrial nature and/or those who discharge large volumes (over 20 kilolitres per day) of LTW to the sewerage system. • Cost of administration and two scheduled inspections of the premises each year to ensure ongoing compliance with the approval conditions. If more than two scheduled inspections are required due to LTW quality issues the cost of any additional inspections is recovered through a separate re-inspection charge. While the number of scheduled inspections for Category 3 dischargers is the same as for Category 2, the overall compliance requirements for Category 3 is higher requiring mandated self-reporting of sampling and testing programmes to Council. Category 3 dischargers also tend to be larger and more sophisticated than Category 2.	The "Best Practice Guidelines" do not provide default charges and as such require each water utility to set its own charge. The new LTW Policy continues to be based on State Government "Best Practice Management Guidelines". The increased fee since 2019-20 is based on the 2019 IPART determination. The current functions provided by Council to support the charges are: • twice yearly audit/inspections of premises • associated administration functions* • sampling/testing of discharges when necessary. *Category 3 dischargers undertake a high degree of self-monitoring with Council undertaking an oversight role. Average travel time to/from premises: 60 minutes per inspection (twice yearly) Average inspection time on premises: 60 minutes per inspection (twice yearly) Average administration time per annum: 60 minutes per month = 12 hours (to review and update spreadsheets). The management of Category 3 dischargers is undertaken by the LTW Team Leader.

Charge	Description and Activities Undertaken	Basis of Charge
Annual Trade Waste Fee Category S	Fee relates to: • Tankers discharging septic waste • Tankers discharging domestic sewerage (no connection to the Council sewerage system)	The "Best Practice Guidelines" do not provide default charges and as such require each water utility to set its own charge. The new LTW Policy continues to be based on State Government "Best Practice Management Guidelines". The increased fee since 2019-20 is based on the 2019 IPART determination. The current functions provided by Council to support the charge are: • average administration time per annum: 2 hours The management of Category S dischargers is undertaken by the LTW Team Leader.
Re-inspection Fee Categories 1,2,3 and S	Fee relates to: • Additional Council inspections due to discharger non-compliance • Re-inspection fees to ensure non-compliant LTW protocols have been redressed	The "Best Practice Guidelines" do not provide default charges and as such require each water utility to set its own charge. The new LTW Policy continues to be based on State Government "Best Practice Management Guidelines". The increased fee since 2019-20 is based on the 2019 IPART determination. The current functions provided by Council to support the charge are: • average travel time to/from premises: 60 minutes per inspection • average inspection time on premises: 30 minutes per inspection • average administration time per annum: 20 minutes. The management of a Re-inspection is undertaken by the LTW Officers and LTW Team Leader.
Trade Waste Usage Charge Category 2	Fee relates to: • Dischargers conducting an activity requiring prescriptive LTW pre-	"Best Practice Guidelines" provide a default set of charges to achieve full cost recovery, a useful resource for water utilities unable to calculate their own charge.

Charge	Description and Activities Undertaken	Basis of Charge
	treatment equipment where effluent is well characterised. This volume-based charge is applied to cover the additional cost (over and above sewerage charges) of transporting and treating LTW from the discharger. Where appropriate pre-treatment has not been provided there is a significant increase in the volume charge to reflect the cost to accept and treat the non-compliant effluent.	Central Coast Council applied the default charge as access to performance related data to determine the specific charge was unavailable. The new LTW Policy continues to be based on State Government "Best Practice Management Guidelines". The increased charge since 2019-20 is based on the 2019 IPART determination.
Trade Waste Mass Based Charges Category 3	Fee relates to: • Additional costs to Council to accept and handle the nominated substances. These charges apply in two cases: • Excess mass charges for specified substances discharged in excess of the deemed concentrations in domestic sewage. • Non-compliant excess mass charges for specified substances discharged in excess of the Liquid Trade Waste Approval Limit.	"Best Practice Guidelines" provide a default set of charges to achieve full cost recovery, a useful resource for water utilities unable to calculate their own charge. Council applied the default charge as access to performance related data to determine the specific charge was unavailable. The new LTW Policy continues to be based on State Government "Best Practice Management Guidelines". The increased charge since 2019-20 is based on the 2019 IPART determination.
Trade Waste Usage Charge Category S	Fee relates to: • Tankers discharging septic waste • Tankers discharging domestic sewerage (no connection to the Council sewerage system) This volume-based charge is applied to cover the additional cost (over and above sewerage charges)	"Best Practice Guidelines" provide a default set of charges to achieve full cost recovery, a useful resource for water utilities unable to calculate their own charge. Central Coast Council elected to use their own charge which was a lower charge to the one proposed in the "Best Practice Guidelines". The increased charge since 2019-20 is based on the current pricing determination as set by IPART.

Charge	Description and Activities Undertaken	Basis of Charge
	of treating septic waste from the discharger	

Figure 3: Septic receiving station allows for safe discharge of tankered septic waste, measurement of discharge volumes and rag removal

1.3.2 **Proposed charges**

Table 4: Estimated revenue from Liquid Trade Waste Customers (the price quoted for proposed 2022-23 will apply to the length of the 2022 determination (plus 1 year for the required 5th year). The rate shown will be only adjusted by CPI

Charge Description	Unit of Measure	2021-22 Charge	Proposed 2022-23 Charge	% change	Forecasted Volumes	2022-23 Forecasted Annual Revenue	Proposed 2022-23 Charge
		$2021-22	$2021-22			$2021-22	$2022-23 with 2.5% indexation
Application Fee Category 1	each	99.76	133.67	34.0%	10	1,336.70	137.01
Application Fee Category 2	each	126.28	169.20	34.0%	30	5,076.00	173.43
Application Fee Category 3	each	2,274.52	2,667.08	17.3%	1	2,667.08	2,733.76
Application Fee Category S	each	173.64	169.20	-2.6%	4	676.80	173.43
Annual Trade Waste Fee Category 1	each	99.77	140.44	40.8%	165	23,172.60	143.95
Annual Trade Waste Fee Category 2	each	362.11	437.25	20.8%	1,005	439,436.25	448.18
Annual Trade Waste Fee Category 3	each	1,399.70	1,641.28	17.3%	26	42,673.28	1,682.31
Annual Trade Waste Fee Category S	each	157.86	205.16	30.0%	22	4,513.52	210.29
Re-inspection Fee 1,2,3 & S	each	115.55	154.82	34.0%	8	1,238.56	158.69
Usage Charge Category 2 (compliant pre-treatment)	kL	1.83	1.89	3.3%	781,826	1,477,651.14	1.94
Usage Charge Category 2 (non-compliant)	kL	15.63	16.20	3.6%	0	0.00	16.61
Usage Charge Category S (Septic effluent unable to discharge onsite)	kL	1.83	1.89	3.3%	13,606	25,715.34	1.94

Charge Description	Unit of Measure	2021-22 Charge	Proposed 2022-23 Charge	% change	Forecasted Volumes	2022-23 Forecasted Annual Revenue	Proposed 2022-23 Charge
		$2021-22	**$2021-22**			**$2021-22**	**$2022-23 with 2.5% indexation**
Usage Charge Category S (Septage and septic effluent discharge charge)	kL	18.36	18.16	-1.1%	14,236	258,525.76	18.61
Mass Based Charges			See Table 5 for details	See Table 5 for details	Dependant on quality and quantity	366,178.67	See Table 5 for details
Total 2022-23 forecasted revenue						**2,648,861.70**	

Table 5: Mass Based Charges (the price quoted for proposed 2022-23 will apply to the length of the 2022 determination (plus 1 year for the required 5th year). The rate shown will be only adjusted by CPI

Charge component	Substance of concern	Charge ($/kg)	Proposed 2022-23 Charge ($/kg)	Proposed 2022-23 Charge ($/kg)
		$2021-22	**$2021-22**	**$2022-23 with 2.5% indexation**
Excess Mass Charges (discharge exceeding the 'deemed concentrations' in domestic sewage) Non-compliant Excess Mass Charges (for any substance exceeding acceptance limits)	Biochemical Oxygen Demand	0.81	0.81	0.83
	Suspended Solids	1.03	1.03	1.06
	Total Oil and Grease	1.46	1.46	1.50
	Ammonia (as Nitrogen)	0.81	0.81	0.83
	Total Kjeldahl Nitrogen (as Nitrogen)	0.19	0.19	0.19
	Total Phosphorus	1.56	1.56	1.60
	Total Dissolved Solids	0.05	0.05	0.05
	Sulphate (as SO4)	0.15	0.15	0.15
Non-compliant Excess Mass Charges (for any substance exceeding acceptance limits)	Aluminium	0.75	0.75	0.77
	Arsenic	76.69	76.69	78.61
	Barium	38.37	38.37	39.33
	Boron	0.75	0.75	0.77
	Bromine	15.63	15.63	16.02
	Cadmium	355.09	355.09	363.97
	Chloride	No Charge	No Charge	No Charge
	Chlorinated Hydrocarbons	37.74	37.74	38.68
	Chlorinated Phenolics	1,562.51	1,562.51	1,601.57
	Chlorine	1.60	1.60	1.64
	Chromium	25.56	25.56	26.20
	Cobalt	15.63	15.63	16.02
	Copper	15.63	15.63	16.02
	Cyanide	76.69	76.69	78.61

Charge component	Substance of concern	Charge ($/kg)	Proposed 2022-23 Charge ($/kg)	Proposed 2022-23 Charge ($/kg)
		$2021-22	$2021-22	$2022-23 with 2.5% indexation
	Fluoride	3.81	3.81	3.91
	Formaldehyde	1.60	1.60	1.64
	Herbicides/defoliants	767.05	767.05	786.23
	Iron	1.57	1.57	1.61
	Lead	38.37	38.37	39.33
	Lithium	7.69	7.69	7.88
	Manganese	7.69	7.69	7.88
	Mercaptans	82.60	82.60	84.67
	Mercury	2,556.85	2,556.85	2,620.77
	Methylene Blue Active Substances (MBAS)	0.75	0.75	0.77
	Molybdenum	0.75	0.75	0.77
	Nickel	25.56	25.56	26.20
	Organoarsenic Compounds	767.05	767.05	786.23
	Pesticides General (Excludes organochlorines and organophosphates)	763.91	763.91	783.01
	Petroleum Hydrocarbons (non-flammable)	2.41	2.41	2.47
	pH (see note # below)	0.44	0.44	0.45
	Phenolic compounds (non-chlorinated)	7.69	7.69	7.88
	Polynuclear aromatic hydrocarbons	15.62	15.62	16.01

Charge component	Substance of concern	Charge ($/kg)	Proposed 2022-23 Charge ($/kg)	Proposed 2022-23 Charge ($/kg)
		$2021-22	$2021-22	$2022-23 with 2.5% indexation
	Selenium	53.95	53.95	55.30
	Silver	1.51	1.51	1.55
	Sulphide	1.55	1.55	1.59
	Sulphite	1.55	1.55	1.59
	Thiosulphate	0.28	0.28	0.29
	Tin	7.69	7.69	7.88
	Uranium	8.26	8.26	8.47
	Zinc	15.62	15.62	16.01

Note # - This parameter is called *pH cost coefficient*. The charge for pH of discharged trade waste lies outside deemed limits (non-compliant pH charge).

Non-compliant excess pH outside the deemed range is not quantified per kilogram but per kilolitre.

Charge for non-compliant pH ($/kL) = pH cost coefficient x (net pH difference) x 2 ^ (net pH difference)

2 Recycled water services

2.1 Central Coast Council's recycling services

Recycled water is defined by IPART as wastewater or stormwater that has been collected and treated by a public water utility, for reuse in urban irrigation, industrial processes, environmental flows and non-potable residential purposes.

Council operates several sewage treatment plants (STPs) and stormwater capture systems, both of which yield water for reclamation, useful where potable water is unnecessary. Council currently supplies recycled water to a variety of different end users including residential customers, ground keepers, holiday parks, construction companies and for reuse within some of the STPs.

Council commissioned a study to review the current recycled water and stormwater harvesting scheme for optimisation with an aim to achieve s292 compliance, maximise potential for re-use and prepare for future long-term demand. Additionally, Council sought to understand current capacity, any issues with the plants, regulatory status of the schemes (s292 approval) and identify potential end users for the sites.

IPART classifies Council as having "voluntary recycled water schemes" and "other" schemes that service the sewage treatment plant where they are located. Council does not have mandatory or section 16A schemes. Table 6 lists the recycled water schemes in Central Coast local government area (LGA). The sewage treatment plants (STPs) and stormwater reuse sites in the LGA are shown in Table 7.

Council ***does not*** presently include recycled water infrastructure in the developer servicing charges.

Table 6: Central Coast Council recycled water schemes

Central Coast Council's recycled water schemes

Mandatory schemes	Voluntary schemes	Section 16A	Other
N/A	▼ Bateau Bay ▼ Toukley ▼ Kincumber	N/A	▼ Woy Woy ▼ Charmhaven ▼ Gwandalan ▼ Mannering Park ▼ South Wyong

2.2 Voluntary and other schemes

- **Charmhaven STP (sewerage treatment plant)** – internal reuse of recycled water: For onsite reuse at the inlet works including screen washing, dewatering, hose points and sprinklers.
- **Mannering Park STP** – internal reuse of recycled water and external supply of secondary effluent: Secondary effluent is decanted to a storage pond, where a proportion is pumped through microfiltration for reuse at Vales Point Power Station. Reclaimed effluent is only used by Delta Electricity and for onsite application at the STP. Because Delta treats the effluent to recycled water standard, Council's involvement would be regarded as 'sewer mining'. Reclaimed effluent for onsite reuse is pumped from the storage pond through a tertiary filtration system which treats up to 12 kL/h.
- **Gwandalan STP** – no reuse of recycled water (currently discontinued external reuse scheme): Gwandalan STP is an intermittently decanted extended aeration (IDEA) plant using tertiary filtration and ultrafiltration (a reverse osmosis process) to supply onsite recycled water and external customers. The tertiary treatment system ceased operation in 2011 due to poor performance and risk concerns for the end users.
- **Toukley STP and Magenta Shores Reuse Scheme** – internal and external reuse of recycled water: Toukley STP is a trickling filter plant that treats a proportion of the secondary effluent to recycled water standard via a tertiary process. Commissioned in 2005, the tertiary recycled water plant added an ultraviolet (UV) system in 2007, with augmentation works commissioned in 2009. The plant can produce up to 7,200 kL/d of recycled water (2017) supplying sporting facilities, golf courses and for onsite reuse applications at the STP. The Toukley STP scheme relies on chemical dosing, dissolved air flotation, UV and storage tanks to provide reuse water.
- **Bateau Bay STP** – internal and external reuse of recycled water: Bateau Bay STP is a trickling filter/ IDEA process, that treats a proportion of the secondary effluent to recycled water standard via a tertiary process. The plant was commissioned to provide 30 L/s when commissioned in 2005 but was limited to 21 L/s with the addition of the UV system in 2007. Bateau Bay STP recycled water supplies tertiary treated effluent for reuse applications to sporting fields, bowling clubs, schools and golf courses.
- **Wyong South STP** – internal reuse of recycled water: Wyong South STP is an IDEA plant. A tertiary filtration plant treats some of the secondary effluent for reuse onsite. The onsite reuse system began operation in 2005 and provides up to 12 kL/h of recycled water. A proportion of the unfiltered secondary effluent is chlorinated and used at the inlet works.
- **Woy Woy STP** – internal reuse of recycled water: Woy Woy STP is an Oxidation Ditch plant, that treats a proportion of secondary effluent with a strainer and gas chlorination, for onsite reuse. The original recycled water plant constructed in 2008, used sand filters and sodium hypochlorite disinfection to produce recycled water for internal reuse and tankers. Due to a lack of external demand, these components were decommissioned in 2018 and replaced with a self-cleaning filter and gas chlorination system for onsite reuse only.

- **Kincumber STP** – internal reuse of recycled water and external reuse scheme awaiting revalidation following modifications: Kincumber STP comprises preliminary treatment, primary sedimentation followed by secondary treatment, with a proportion of secondary effluent chlorinated and reused onsite. The plant previously treated secondary effluent through a tertiary treatment system to produce recycled water for external reuse. Commissioned in 2008, this tertiary treatment plant produced 350,000 kL/year of recycled water, well in excess of the initial supply target of 75,000 kL/year (Gosford City Council, 2010). Supply of recycled water to external users stopped in 2016 due to *Clostridium Perfringens* compliance issues.
- **Terrigal reuse scheme** – external use of treated stormwater: The Terrigal reuse scheme provides treated stormwater collected from a concrete stormwater channel with flow from nearby drainage systems. A diversion pipe delivers this flow to the plant for treatment. Treated water is then delivered to Crowne Plaza for laundry, cleaning cooling towers, irrigation and toilet flushing.
- **Hylton Moore Park reuse scheme** – reuse of treated stormwater: Hylton Moore Park reuse scheme is a stormwater harvesting system that provides treated water to Hylton Moore Park and Terry Oval. The output is also used for flushing a nearby dead-end sewer main. Raw stormwater is pumped to the rainwater harvesting tank where treatment comprises screen filtration, UV disinfection and hypochlorite dosing.
- **Central Coast Stadium** – reuse of treated stormwater: The Central Coast Stadium reuse scheme is a bore water and stormwater harvesting system processed by Grahame Park Water Treatment Plant (GPWTP). This system includes a Continuously Washed Up Flow Filter (CWUF), sodium hypochlorite dosing and caustic dosing. The plant treats bore water storing it for toilet flushing at the stadium, and tankers store this treated water for dust suppression, construction and sewer main flushing. Iron levels within the bore water are sufficient to avoid flocculant addition at the site.

2.3 Ringfencing of costs

The infrastructure for recycled water production and delivery to customers is ringfenced. Cost centres established to produce and transport recycled water are:

- Water Treatment Plant – Non-Potable – Bateau Bay
- Water Treatment Plant – Non-Potable - Kincumber
- Water Treatment Plant – Non-Potable - Toukley
- Water Treatment Plant – Non-Potable – Graeme Park
- Water Treatment Plant – Non-Potable – Hylton Moore
- Water Treatment Plant – Non-Potable – Terrigal CBD
- Recycled water main – Bateau Bay
- Recycled water main – Kincumber
- Recycled water main - Toukley

- Recycled water main – Woy Woy

Table 7: Summary of Central Coast Council Recycled Water Schemes

Ranking	Scheme	Advantages	Current Stakeholders	Intended Usage (kL/week)	Current Total Usage (kL/week)
1	**Bateau Bay STP**	Existing scheme producing recycled water for irrigation. Other potential users nearby expand the scope of supply.	• Bateau Bay Golf Driving Range • Golden Hind Bowling Club • BBRC Playing Fields and Amenities • EDSACC Croquet Club • EDSAAC Fields • Tuggerah Lakes Secondary College The Entrance Campus • Our Lady of the Rosary Primary School • Bateau Bay Bowling Club • Tuggerah Lakes Golf Club	10,600	3,730
2	**Toukley STP**	Existing scheme producing recycled water for irrigation. Other potential users nearby expand the scope of supply.	• Toukley Treatment Plant Usage • Toukley Golf Club • Harry Moore Oval • Darren Kennedy Oval • Toukley Public School • Toukley RSL Bowling Club • St Mary's Primary School • Canton Beach Tourist Park • Noraville Cemetery • Magenta Shores flow to storage pond	20,700	6,500

Ranking	Scheme	Advantages	Current Stakeholders	Intended Usage (kL/week)	Current Total Usage (kL/week)
3	**Kincumber STP**	Scheme previously supplied recycled water to various end users until disinfection issues were identified. Previous agreements and RWMP in place.	Kincumber STP no longer supplies recycled water after compliance issues forced its discontinuation.	1,900	41
4	**Wyong South STP**	Various recycled water users identified nearby the plant.	Recycled water is used within the plant at the inlet works, for dewatering, hose points and sprinklers. A tanker filling point was abandoned in 2013 due to risk concerns that third-party tankers were not appropriately managing recycled water use. Additionally, s292 approval had not been provided by the Office of Water.	0	0

Ranking	Scheme	Advantages	Current Stakeholders	Intended Usage (kL/week)	Current Total Usage (kL/week)
5	**Mannering Park STP**	Existing agreement in place with Vales Point Power Station.	Mannering Park STP only provides secondary effluent to Vales Point Power Station and provides recycled water for use on site.	8,000	5,700
6	**Charmhaven STP**	Significant development in the nearby area suggests potential users for a dual reticulation scheme.	Charmhaven STP does not currently supply recycled water to external customers as it would need to comply with external pathogen Log Reduction Value (LRVs) - indicated by the Australian Recycled Water Guidelines (National Water Quality Management Strategy, 2006).	3,200	0

Ranking	Scheme	Advantages	Current Stakeholders	Intended Usage (kL/week)	Current Total Usage (kL/week)
7	**Gwandalan STP**	Previous users/ reticulation network exists. RWMP prepared previously.	Gwandalan STP does not supply recycled water to end users due to decommissioning of the plant.	120	0
8	**Central Coast Stadium Reuse Scheme**	Limited capital expenditure required to address asset condition issues and rainwater harvesting approval requirements. Existing users in place.	Private and Council non-potable water tanker operators	5,000	50
9	**Woy Woy STP**	New internal reuse plant built in 2018 – none of these components require replacement/ rehabilitation.	Internal use at STP	16,000	5,000
10	**Magenta Shores UF plant**	Potentially provides additional recycled water suitable for dual reticulation in existing network. Equity issue that users provided potable water at RCW rate are exempt from water restrictions.	None	0	0
11	**Hylton Moore Park Reuse Scheme**	Limited capital expenditure required to address asset condition issues and stormwater harvesting s292 approval requirements. Existing users in place.	Council (irrigation of Hylton Moore Park)	700	70

Ranking	Scheme	Advantages	Current Stakeholders	Intended Usage (kL/week)	Current Total Usage (kL/week)
12	**Terrigal Reuse Scheme**	Limited capital expenditure required to address asset condition issues and stormwater harvesting s292 approval requirements. Existing users in place	Crowne Plaza	1,000	110

2.3.1 **Developer charges**

Currently, Council does not apply a methodology to the calculation of developer charges. Council does not have a Developer Servicing Plan (DSP) for recycled water. The current schemes are voluntary in nature and Council has sought to remove barriers for the use of recycled water since the Millennium Drought.

2.3.2 **IPART's pricing principles for recycled water**

IPART's 2006 regulatory framework included an overarching set of pricing principles for recycled water, pricing guidelines for mandatory services and additional pricing principles for voluntary services.

IPART's Final Report (July 2019) distinguished between mandatory and voluntary recycled water services based on the "customer's level of effective choice" [3]. This report also stated that: *Voluntary recycled water services are subject to unregulated agreements in the first instance, so public water utilities and their customers are not bound to follow the pricing principles. In the event that the parties are unable to reach an agreement, we would step in when warranted to set prices under a scheme-specific review. In those instances, we would have regard to the pricing principles in setting recycled water prices.* This approach is summarised in Figure 3.

IPART engaged 155 stakeholders and amended the pricing principles to:

- Remove unnecessary duplication and reduce complexity
- Allow for greater flexibility for public water utilities to set prices in line with customer preferences and economic efficient signalling
- Protect customers by regarding customer impacts, willingness-to-pay and the price of substitute products
- Facilitate easier implementation of the framework

[3] *Review of pricing arrangements for recycled water and related services Sydney Water Hunter Water Central Coast Council Essential Energy Final Report Water, section 6.2.*

	Essential Energy	Central Coast Council	Sydney Water	Hunter Water
Mandatory recycled water services	Defer regulation (no foreseeable need).	Prices set by utilities in accordance with pricing principles. Defer determining prices for each scheme until we receive a request for a scheme-specific review or initiate our own review where we deem that a public water utility's prices are inconsistent with our pricing principles.		
Voluntary recycled water services	Encourage unregulated pricing agreements, and defer determining prices for each scheme until we receive a request for a scheme-specific review.			
Stormwater harvesting	Encourage unregulated pricing agreements, and defer determining prices for each scheme until we receive a request for a scheme-specific review.			
Sewer mining	Encourage unregulated pricing agreements, and defer determining prices for each scheme until we receive a request for a scheme-specific review.	No regulatory role under our legislative framework.		

Figure 4: Review of Pricing Arrangements for Recycled Water and Related Services, Sydney Water, Hunter Water, Central Coast Council & Essential Energy

3 Miscellaneous and ancillary services

3.1 Background

Council provides miscellaneous customer services where no alternative supply exists, and relative to the supply of other monopoly services.

3.2 Review of miscellaneous services

In proposing new charges under this price submission, Council's review of existing ancillary and miscellaneous charges for 2022 -2026 is listed in section 3.5 (Table 8).

3.3 Cost-basis for miscellaneous and ancillary charges

The cost basis for miscellaneous and ancillary charges per service calculation includes both on costs (inclusion of payroll tax, superannuation) and corporate overheads. It has been aligned to IPART's pricing principles of full cost recovery for services provided.

Minor construction and plumbing services are often provided by Council's contract plumber. Cost is determined by the cost the provider charges Council for provision of the customer service and includes materials cost and labour.

3.4 IPART's pricing principles for miscellaneous prices

IPART's 2019 final report recommended charges be cost reflective with the maximum charge representing the full efficient cost of service delivery to customers, calculated using the formula below:

Miscellaneous charge = base cost + direct material cost
where
Base cost = [direct cost of labour (including on costs) + transport + equipment] + overhead costs
Direct material cost = cost of materials used in the service

Charges should reflect efficient costs and not include any allowance for a profit margin, costs already recovered through maximum prices, or any other costs unrelated to service delivery.

3.5 Summary of ancillary charges

Table 8 Summary of ancillary charges (the price quoted for proposed 2022-23 will apply to the length of the 2022 determination (plus 1 year for the required 5th year). The rate shown will be only adjusted by CPI

Ancillary Charge	Unit of Measure	2021-22 Charge	Proposed 2022-23 Charge	%Change	Forecast Quantities	2022-23 Forecasted Annual Revenue	Proposed 2022-23 Charge
		$2021-22	$2021-22			$2021-22	$2022-23 with 2.5% indexation
1 Conveyancing Certificate – Statement of Outstanding Charges (s360 Certificate)							
a) Manual request (hard copy form or telephone)	Each	27.80	33.80	22%	700	23,600	34.65
b) Online request (online form on Council website)	Each	27.80	27.31	-2%	10,000	273,100	27.99
2 Property Sewerage Line and Drainage Diagram							
a) Property sewer line and drainage diagrams - manual request (hard copy form or telephone)	Each	27.80	36.53	31%	600	21,918	37.44
b) Property sewer line and drainage diagrams - online request (online form on Council website)	Each	18.89	25.67	36%	5,000	128,350	26.31
c) Property sewer line and drainage diagrams (with long section) - online requests only	Each	22.24	36.18	63%	600	21,708	37.08
d) Property sewer line and drainage diagrams (property complex) - online requests only	Each	32.24	40.96	27%	100	4,096	41.98
3 Provision of Service Location Diagrams							
a) Water and sewer location plans	Each	22.24	21.84	-2%	4,000	87,360	22.39

Ancillary Charge	Unit of Measure	2021-22 Charge	Proposed 2022-23 Charge	%Change	Forecast Quantities	2022-23 Forecasted Annual Revenue	Proposed 2022-23 Charge
		$2021-22	$2021-22			$2021-22	$2022-23 with 2.5% indexation
b) Water and sewer location plans (including long sections)	Each	27.80	28.53	3%	500	14,265	29.24
4 Special Meter Reading Statement							
a) Manual request (hard copy form or telephone)	Each	43.30	72.41	67%	60	4,345	74.22
b) Online request (online form on Council website)	Each	32.19	68.06	111%	500	34,030	69.76
5 Water Billing Search Statement							
a) From previous FY, up to and including 5 years	Each	38.91	45.08	16%	200	9,016	46.21
b) From previous FY, up to and including 10 years	Each	72.27	72.23	<1%	20	1,445	74.04
c) From previous FY, to beyond 10 years	Each	105.62	99.39	-6%	5	497	101.87
6 Building Over or Adjacent to Existing Water or Sewer Statement	Each	56.32	118.22	110%	20	2,364[4]	121.18
7 Water Reconnection	Each	155.05	-	-	-	Discontinue	-
8 Workshop Meter Test							

[4] *Suggest aligning item number more closely with Item 24, to avoid confusion re: appropriate charge*

Ancillary Charge	Unit of Measure	2021-22 Charge	Proposed 2022-23 Charge	%Change	Forecast Quantities	2022-23 Forecasted Annual Revenue	Proposed 2022-23 Charge
		$2021-22	$2021-22			$2021-22	$2022-23 with 2.5% indexation
a) Workshop test of water meter	Each	324.39	By quote	Change in methodology	12	3,000[5]	By quote
9 Water Service Disconnection							
a) Application for disconnection of water service (all sizes)	Each	64.16	64.39	<1%	30	1,932	66.00
b) Disconnection of water service	Each	244.45	408.10	67%	30	12,243	418.30
10 Water Service Connection							
a) Application for connection of water service (all sizes)	Each	64.16	64.39	<1%	1,000	64,390	66.00
b) Water service connection meter only (20 mm)	Each	188.97	116.50	-38%	450	52,425	119.41
c) Water service connection short and long service (20 mm)	Each	1,457.47	1,470.99	<1%	360	529,556	1,507.76
d) Water service connection meter only (25 mm)	Each	New Charge	186.39	New Charge	10	1,864	191.05
e) Water service connection short service (25 mm)	Each	1,701.81	1,482.45	-13%	11	16,307	1,519.51
f) Water service connection long service (25 mm)	Each	1,701.81	2,054.58	21%	11	22,600	2,105.94

[5] *Advice from Elster Metering was that it is difficult to quote a fixed price due to variables around nature of calibration and inspection required, meter size etc. Council also incurs variable labour and freight costs, depending on meter size. Propose by quote, due to need to recover full costs from customer requiring test if meter is within design accuracy range*

Ancillary Charge	Unit of Measure	2021-22 Charge	Proposed 2022-23 Charge	%Change	Forecast Quantities	2022-23 Forecasted Annual Revenue	Proposed 2022-23 Charge
		$2021-22	$2021-22			$2021-22	$2022-23 with 2.5% indexation
Water service connection short service (32 mm)	Each	2,024.87	-	-	-	Discontinue	-
Water service connection long service (32 mm)	Each	2,835.17	-	-	-	Discontinue	-
g) Water service connection meter only (40 mm)	Each	New Charge	587.70	New Charge	2	1,175	602.39
h) Water service connection short service (40 mm)	Each	2,046.66	2,639.91	29%	8	21,119	2,705.91
i) Water service connection long service (40 mm)	Each	2,865.69	3,303.90	15%	8	26,431	3,386.50
j) Water service connection meter only (50 mm)	Each	New Charge	$973.16	New Charge	2	1,946	997.49
k) Water service connection short service (50 mm)	Each	2,464.47	3,260.62	32%	6	19,564	3,342.14
l) Water service connection long service (50 mm)	Each	3,507.69	3,954.49	13%	6	23,727	4,053.35
m) Water service connection meter only (65 mm)	Each	New Charge	988.20	New Charge	2	1,976	1,012.91
n) Water service connection short service (65 mm)	Each	2,464.47	3,316.47	35%	2	6,633	3,399.38
o) Water service connection long service (65 mm)	Each	3,507.69	3,875.60	10%	2	7,751	3,972.49

Ancillary Charge	Unit of Measure	2021-22 Charge	Proposed 2022-23 Charge	%Change	Forecast Quantities	2022-23 Forecasted Annual Revenue	Proposed 2022-23 Charge
		$2021-22	$2021-22			$2021-22	$2022-23 with 2.5% indexation
p) Water service connection meter only (80 mm)	Each	New Charge	1,052.33	New Charge	2	2,105	1,078.64
q) Water service connection metered short service (80 mm)	Each	8,130.64	6,356.14	-22%	4	25,425	6,515.04
r) Water service connection unmetered short fire service (80 mm)	Each	7,168.63	5,438.81	-24%	2	10,878	5,574.78
s) Water service connection long metered service (80 mm)	Each	13,922.14	11,820.88	-15%	2	23,642	12,116.40
t) Water service connection unmetered long fire service (80 mm)	Each	12,960.13	10,903.55	-16%	2	21,807	11,176.14
u) Water service connection meter only (100 mm)	Each	New Charge	1,276.10	New Charge	1	1,276	1,308.00
v) Water service connection metered short service (100 mm)	Each	9,494.88	6,703.39	-29%	2	13,407	6,870.97
w) Water service connection unmetered short fire service (100 mm)	Each	7,698.43	5,845.45	-24%	2	11,691	5,991.59
x) Water service connection metered long service (100 mm)	Each	15,078.50	12,371.45	-18%	2	24,743	12,680.74
y) Water service connection unmetered long fire service (100 mm)	Each	13,696.90	11,513.51	-16%	2	23,027	11,801.35
z) Water service connection metered short service (150 mm)	Each	9,977.41	9,691.93	-3%	1	9,692	9,934.23

Ancillary Charge	Unit of Measure	2021-22 Charge	Proposed 2022-23 Charge	%Change	Forecast Quantities	2022-23 Forecasted Annual Revenue	Proposed 2022-23 Charge
		$2021-22	$2021-22			$2021-22	$2022-23 with 2.5% indexation
aa) Water service connection unmetered short fire service (150 mm)	Each	8,721.69	5,845.45	-33%	1	5,845	5,991.59
ab) Water service connection metered long service (150 mm)	Each	17,342.10	14,953.35	-14%	1	14,953	15,327.18
ac) Water service connection unmetered long fire service (150 mm)	Each	16,068.38	13,953.35	-13%	1	13,953	14,302.18
11 Standpipe Hire – Security Bond							
a) 25 mm	Each	453.47	625.50	38%	5	3,128	641.14
b) 65 mm	Each	872.60	2,013.00	131%	3	6,039[6]	2,063.33
12 Standpipe Hire – Annual Fee							
a) 25 mm	Each	136.39	395.00	190%	25	9,875[7]	404.88
b) 65 mm	Each	866.11	2,672.00	208%	93	248,496[8]	2,738.80
c) Standpipe special reading fee	Each	62.92	120.68	92%	6	724[9]	123.70
13 Standpipe Water Usage	kL	2.10	2.20	5%	50,000	110,000	2.26
14 Backflow Prevention Device Application and Registration	Each	73.23	83.08	13%	160	13,293	85.16
15 Inspection of New Water and Sewer Assets (including encasements and new junctions)							

[6] *Replacement costs of 25mm & 65 mm standpipes*
[7] *25% of purchase cost*
[8] *25% of purchase cost*
[9] *Estimate 2 hours to visit site and take reading*

Ancillary Charge	Unit of Measure	2021-22 Charge	Proposed 2022-23 Charge	%Change	Forecast Quantities	2022-23 Forecasted Annual Revenue	Proposed 2022-23 Charge
		$2021-22	$2021-22			$2021-22	$2022-23 with 2.5% indexation
a) inspection of new water and sewer assets including encasements and new junctions	Each	124.28	189.63	53%	231	43,805	194.37
b) + linear asset	per m	6.52	16.30/m	150%	23,102 m	376,563	16.71/m
+ gravity sewer main	per m	8.70	-	-	-	Discontinue	-
c) laboratory analysis to confirm disinfection	per 50 m of water main	New charge	25.00		220	5,500[10]	25.63
d) + after hours inspection (four hours minimum)	per four hours	New charge	370.00	New Charge	24	8,880	379.25
e) + after hours inspection (per hour beyond four hours)	per hour	New charge	105.00	New Charge	12	1,260	107.63
f) inspection of new water or sewage pump station	Each	New charge	5,608.89	New Charge	2	11,218	5,749.11
16 Statement of Available Pressure and Flow	Each	138.10	138.83	<1%	100	13,883	142.30
17 Location of Water & Sewer Mains	Each	590.92	By quote	Change in methodology	12	7,080[11]	By quote
18 Plumbing and Drainage Inspection							
a) New Sewer Connection	Each	186.55	-	-	-	Discontinue	-

[10] *Increase 5%/annum to account for price increase of consumables*

[11] *Current charge includes labour costs of 2 crew members for 2 hours. Additional plant and equipment costs (if required) are by quote.*
Recommend changing to 'by quote', as private operators provide service, leaving Council with the difficult projects involving skilled operators (team leader, engineer), extra time, and hire of plant

Ancillary Charge	Unit of Measure	2021-22 Charge	Proposed 2022-23 Charge	%Change	Forecast Quantities	2022-23 Forecasted Annual Revenue	Proposed 2022-23 Charge
		$2021-22	$2021-22			$2021-22	$2022-23 with 2.5% indexation
b) Each additional WC	Each	15.79	-	-	-	Discontinue	-
c) Alterations, Caravans and Mobile Homes	Each	170.75	-	-	-	Discontinue	-
d) Sewer re-inspection	Each	42.69	-	-	-	Discontinue	-
e) Rainwater Tank Connection	Each	69.89	-	-	-	Discontinue	-
19 Adjust Existing Water Service							
a) application for adjustment of water service	Each	New charge	64.39	New Charge	60	3,863	66.00
b) raise, lower or laterally adjust 20- or 25-mm water meter by ≤ 1 m	Each	197.13	528.30	168%	52	27,472	541.51
c) other water service adjustments	Each	By quote	See Misc Charge 10		7	As per new service connection	See Misc Charge 10
20 Raise or Lower Sewer Manhole							
a) inspection fee (manhole adjustment inspection fee only)	Each	58.45	124.80	114%	12	1,498	127.92
b) physical adjustment	Each	By quote	By quote				By quote
21 Water or Sewer Engineering Plan and Technical Assessment							
a) small projects - relocations, private SPS and/or development ≤10 lots or extension to properties outside area	Each	303.81	487.95	61%	150	73,193	500.15

Ancillary Charge	Unit of Measure	2021-22 Charge	Proposed 2022-23 Charge	%Change	Forecast Quantities	2022-23 Forecasted Annual Revenue	Proposed 2022-23 Charge
		$2021-22	$2021-22			$2021-22	$2022-23 with 2.5% indexation
b) medium projects > 10 and < 50 lots, and mains relocation incl R&D unit	Each	725.00	1,128.38	56%	34	38,365	1,156.59
c) large projects ≥ 50 and <150 lots or large or medium density developments	Each	925.23	1,578.20	71%	3	4,735	1,617.66
d) special projects (roads and rail or SPS adjustments, relocations, development water catchment areas, or subdivisions > 150 lots)	Each	3,176.15	3,293.64	4%	5	16,468	3,375.98
22 Section 307 Certificate							
a) development without requirement		62.15	-	-	-	Discontinue	-
b) boundary realign, subdivisions or developments involving mains extensions (above dual occupancy)	Each	338.83	312.19	-8%	200	62,438	319.99
c) single residential development and dual occupancy	Each	151.90	152.63	<1%	450	68,684	156.45
d) commercial buildings (non-residential) etc	Each	186.44	222.00	19%	200	44,400	227.55
23 Section 305 Application	Each	New charge	60.32	New Charge	3,000	180,960[12]	61.83
23 Cancellation of Water and Sewer Application	Each	22.24	-	-	-	Discontinue	-
24 Building in Proximity to Pipelines Assessment	Each	138.10	138.75	-<1%	310	43,013	142.22

[12] *New charge -Developers are to obtain a Section 26 Certificate which states that the development complies with the Water Management Act 2000*

3.6 Expected Revenue

The revenue from the miscellaneous and ancillary charges is predicted to be $3,068,066 pa ($2021-22)

4 Bill impacts

4.1 New Charges

The following new charges are proposed for this pricing period (Note, the numbering of items in this section reference the line items listed in Table 8 above):

10 Water Service Connection

d) Water service connection meter only (25 mm)
f) Water service connection long service (25 mm)
g) Water service connection meter only (40 mm)
j) Water service connection meter only (50 mm)
m) Water service connection meter only (65 mm)
p) Water service connection meter only (80 mm)
u) Water service connection meter only (100 mm)

15 Inspection of new water and sewer assets (including encasements and new junctions)

c) Laboratory analysis to confirm disinfection
d) + after hours inspection (four hour minimum)
e) + after hours inspection (per hour beyond four hours)
f) Inspection of new water or sewer pump station

c) Council has improved its procedure for verification of disinfection of newly installed water mains, through compulsory microbiological water testing every 25 linear metres. The proposed charge will meet the cost required for undertaking each test.

d-e) The new charge proposed will allow Council to recoup the overtime costs associated with after-hours inspection of new water and sewer mains as requested by the developer.

f) The new charge proposed will allow Council to recoup the costs associated with inspection of newly installed water or sewer pump stations. Previously inspection charges related to newly installed linear assets.

19 Adjust existing water service

a) Application for adjustment of water service

The proposed charge will allow Council to recoup the costs associated with assessing an application and granting an adjustment of water service or denying an application.

23 Section 305 application

Developers are required to obtain a Section 306 requirements letter, explaining the requirements for a Section 307 Certificate, stating that the development complies with the *Water Management Act 2000*. The new charge proposed will allow Council to recoup the costs associated with processing requests from developers for this service. Refunds for the admin component of the WMA charge will be denied.

4.2 Removed Charges

It is proposed the following charges be removed for this pricing period:

7 Water reconnection

Council does not disconnect water services for non-payment of outstanding bills. If a customer has applied for disconnection, then wishes to reconnect, an application will be made under item 10 - Water service connection.

10 Water Service Connection

e) Water service connection short service (32 mm)
f) Water service connection long service (32 mm)

Council proposes to phase out 32 mm water service connections and instead offer 40 mm connections if a larger capacity service is required.

15 Inspection of new water and sewer assets (including encasements and new junctions)

c) + gravity sewer main

Council currently has a separate charge per linear metre for inspection of water and pressure sewer mains, and gravity mains. It is proposed that a common charge per linear metre be adopted for inspection of all water and sewer mains.

19 Plumbing and drainage inspection

This service is now deemed to be a Council service, not an IPART-reviewed service provided by Water and Sewer.

22 Section 307 Certificate

a) Development without Requirement

This service will now be provided via the new Service 23 *Section 305 application*.

23 Cancellation of water and sewer application

This service was associated with item 19 – Plumbing and Drainage Inspection, so will be discontinued as it is now deemed to be a Council service, not an IPART-reviewed service provided by Water and Sewer.

4.3 Changes to Charging

The current review of miscellaneous fees and charges reflects the following considerations:

- Council overheads were included in the labour costs when determining the cost of provision of a number of services. In the 2019 determination, labour costs were minimised by excluding Council overheads.
- Some service delivery processes have been consolidated, providing a clearer costing since the previous determination. Changes to organisational structure and specific positions have also impacted the cost of service delivery in some instances.
- Minor construction activities are now undertaken by Council's civil contractor. Real costs of service delivery are passed on to Council and must be met by the customer requesting the service.

Key changes include:

1. **Conveyancing Certificate – Statement of Outstanding Charges (s360 Certificate).** Manual requests include an additional overhead cost, reflected in the proposed charge, and are at the discretion of the customer.
2. **Property Sewerage Line and Drainage Diagram.** Costing of this service reflects the labour component of locating these diagrams, often from archived records. The derived cost in the previous determination underestimated the true cost of service delivery, particularly when Council overheads are considered.

4. **Special Meter Reading Statement.** Costing of this service reflects the labour component of taking special meter readings out of normal reading cycles.
6. **Building Over or Adjacent to Existing Water or Sewer Statement.** The cost for this service considers the skilled labour component necessary for the assessment and advice to the customer and includes Council overheads.
9. **Water Service Disconnection** will be undertaken by Council's civil contractor.
10. **Water Service Connection** will be undertaken by Council's civil contractor.
11. **Standpipe Hire – Security Bond.** The proposed security bond for 25mm and 65mm standpipes reflects the replacement costs for the respective metered standpipes, should they be lost, damaged or stolen.
12. **Standpipe Hire – Annual Fee.** The proposed annual fee for hire of 25mm and 65mm standpipes is set at the proposed annual water supply service charge for 25mm and 65mm service connections respectively.
15. **Inspection of new water and sewer assets (including encasements and new junctions).** The proposed fees were determined to recover the cost of Council's Water Assessment Team (Construction Inspection). The cost of this team (including overheads) has been divided across the estimated quantity of new assets to be inspected.
16. **Statement of available pressure and flow.** This service is now provided by Council's engineering service provider and reflects the quoted cost of the service to Council, including equipment and materials. The proposed charges for the various services will ensure Council recoups the true cost of service provision to the customer requesting the service.
19. **Adjust Existing Water Service** will be undertaken by Council's civil contractor.
20. **Raise or Lower Sewer Manhole.** This service is now provided by Council's civil contractor and reflects the quoted cost of the service to Council, including equipment and materials. The proposed charges will ensure that Council recoups the true cost of service provision to the customer requesting the service.
21. **Water or sewer engineering plan and technical assessment.** The proposed fees are based on the required labour effort, inclusive of overheads. These costs have been benchmarked against IPART's 2020 determination of efficient equivalent services for Hunter Water Corporation.
22. **Section 307 Certificate.** The proposed pricing for this service is determined by the time requirements for service delivery, labour costs of the skilled team consolidated specifically for these assessments, and Council overheads.

4.4 Charges over the determination period

The proposed miscellaneous fees and charges have been determined following a review of revised and consolidated work practices following amalgamation, labour costs associated with skilled service delivery and resources, cost to Council of contracted service providers and Council overheads. As these services are not routine, it is deemed reasonable to allocate the true cost of

the service delivery to the requesting customer. The alternatives for Council are financial loss, or higher water and sewer tariffs for individual property owners.

5 Abbreviations

BBRC	Bateau Bay Recreation Club
DPIE	Department of Planning, Industry and Environment
CBD	Central Business District
CCC	Central Coast Council
CPI	Consumer Price Index
CWUF	Continuously Washed Up Flow Filter
EDSACC	Entrance District Sporting and Community Centre
GPWTP	Grahame Park Water Treatment Plant
IDEA	Intermittently Decanting Aeration
IPART	Independent Pricing and Regulatory Tribunal
L/s	Litres per second
L/h	Litres per hour
LGA	Local Government Authority
LRV	Log Reduction Value
LTW	Liquid Trade Waste
RWMP	Recycled Water Management Plan
STP	Sewage Treatment Plant

6 References

- NSW Best Practice Management of Water Supply and Sewerage Framework (July 2016)
- Department of Planning, Industry and Environment (DPIE) (2021) Liquid Trade Waste Management Guidelines
- IPART (May 2019) Review of Central Coast Council's water, sewerage and stormwater prices to apply from 1 July 2019, May 2019
- IPART Review of Pricing Arrangements for Recycled Water and Related Services (July 2019)
- GHD Central Coast Council Recycled Water and Stormwater Harvesting Strategy (February 2020)