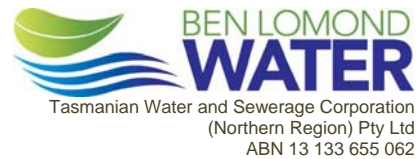


# SERVICE EXTENSION AND EXPANSION POLICY



## AIM

The aim of the policy is to outline the circumstances in which, and the terms and conditions under which, Ben Lomond Water will extend or expand its water and sewerage infrastructure.

## BACKGROUND AND DEFINITIONS

The *Water and Sewerage Industry Act 2008* requires that until a Price and Services Plan is approved by the Economic Regulator Ben Lomond Water must produce a policy that sets out the circumstances in which and the terms and conditions under which, Ben Lomond Water will extend or expand its water and sewerage infrastructure.

In this policy:

**Extension** means the lengthening of water or sewerage infrastructure to allow connection, with the subsequent connection able to be catered for by current system capacity (i.e. extension can only occur within Serviced Land).

**Expansion** means development of a property or development requiring augmentation of water and sewerage infrastructure which cannot be catered for by current system capacity. Subdivisional works or significant change of use is classed as requiring infrastructure expansion.

**Land Parcel** means a land area that is identified by individual title.

**Serviced Land** means a description of the land, whether identified by individual title or locality, Ben Lomond Water will permit to be connected to its water infrastructure or sewerage infrastructure (Serviced Land boundaries are available from Ben Lomond Water in accordance with the Customer Connection Policy).

**30 metre rule charge** means a charge that a council in the Northern Region of Tasmania determined pursuant to section 93 and /or 94 of the Local Government Act 1993 in relation to water supply and/or sewerage removal that applies to a land parcel within 30 metres at the nearest boundary from the water main or common sewer drain as applicable, even though there is no connection to that land parcel and Ben Lomond Water has continued to charge the customer the 30 metre rule charge up to that day of request for extension.

**Connection Point** means

- i) the point at which the customer's pipes connect with Ben Lomond Water's water infrastructure or sewerage infrastructure; or
- ii) such other point as may be prescribed in the *Water and Sewerage Industry Act 2008*

**Property Service Connection – Water** means the pipework connecting Ben Lomond Water's water infrastructure to a customer's pipes, thus forming a connection point.

**Property Service Connection – Sewer** means the pipework connecting Ben Lomond Water's sewerage infrastructure to a customer's pipes, thus forming a connection point.

**Water District** means an area of land as determined by the *Water Works Clauses Act 1952*.

## POLICY

The following circumstances of network extension or expansion will attract the attached terms and conditions.

### **A. Extension – Within Serviced Land**

If a customer is located within Serviced Land, does not have an accessible service main that already runs past their land parcel and they request an extension for the purpose of being connected to Ben Lomond Water infrastructure:

- o Ben Lomond Water will bear the cost of the extension for those customers that are currently charged a service charge under the 30 metre rule charge, and the customer shall be liable for applicable property service connection charges.
- o Where the usual pressure of water in the main or other pipe to be drawn from is insufficient to meet minimum supply requirements. Ben Lomond Water may refuse the supply demanded except for a house existing at the creation of the former water district.
- o For all other customer requests for an extension, the customer shall be liable to pay for the cost of extension.

For rules around connections refer to Ben Lomond Water Customer Connection Policy.

### **B. Expansion – Within Serviced Land**

If an existing land parcel within Serviced Land is proposed for development and that development would place an increased demand on Ben Lomond Water's infrastructure, Ben Lomond Water will:

- o Assess the development based on the individual merits of the development application and the capacity of its infrastructure to cater for the development;
- o Require the payment of developer charges for each additional land parcel created or the additional demand of the proposed development;
- o Require the developer to pay the costs of expansion where dedicated water and sewerage infrastructure is required to service the development; and
- o In the case of a new subdivision, require the developer to gift water and sewerage infrastructure internal to the subdivision to Ben Lomond Water.

### **C. Expansion – Outside Serviced Land**

If a development is proposed outside Serviced Land and the development or connection is consistent with the growth zones/nodes identified by the relevant planning authority, Ben Lomond Water will:

- Assess the development based on the individual merits of the development application and the capacity of its infrastructure to cater for the development;
- Require the payment of developer charges for each equivalent land parcel approved for creation;
- Require the developer to pay the costs of expansion where dedicated water and sewerage infrastructure is required to service the development; and
- In the case of a new subdivision, require the developer to gift water and sewerage infrastructure internal to the subdivision to Ben Lomond Water.

The circumstances covered in B and C are covered by more detail under Ben Lomond Water's Developer Charges Policy.

### **D. Introduction of new water and/or sewerage services to towns or localities with only onsite services, e.g. septic tanks, rain tanks (Service Introduction)**

- The introduction of services must occur in accordance with the Government's Service Extension Policy (if developed).
- If there is no Government policy in place requiring service introduction, the introduction of services must satisfy the following conditions:
  - The introduction of water and/or sewerage services is to be commercially viable for Ben Lomond Water (which may include by means of external funding support – e.g. a government grant, Council owner contribution and customer contributions or a combination of these three);
  - *The absence of water/sewerage is causing environmental harm and/or public health issues* of a high impact or on a wide scale as acknowledged by Environmental Protection Authority or the Department of Health and Human Services;
  - The consultation process with community must achieve majority support;
  - Service Introduction charges are to be paid by the connecting property on a quarterly basis over a 10 year period as a contribution to capital costs of the introduction; and
  - A connection fee will be required and annual charges will be applied from the time of connection.

### **E. Private trunk service connections**

Where a landowner requests a connection, Ben Lomond Water will consider the request on its merits and shall have absolute discretion. Where a request is approved it shall be subject to a special agreement.

## RESPONSIBILITIES

The Chief Executive Officer is responsible for implementing this policy.

*Approved by the Board on 3 June 2011*

Signed:

A handwritten signature in black ink, appearing to be 'J. Lee', is written over a solid black horizontal line.

Chief Executive Officer