

Submission to:

Independent Competition and Regulatory Commission
Draft Report And Price Determination
Water and Wastewater Price Review
Report 11 December 2007

Dear Commissioner.

Thank you for the opportunity to provide comment in relation to Independent Competition and Regulatory (ICRC) Commission, Draft Report And Price Determination, Water and Wastewater Price Review Report 11 December 2007.

Please accept my apologies for not being able to attend the public hearing on February 14 2008, at which I had hoped to deliver a presentation on Canberra's Sustainable House and elaborate on the issue we face with regard to water and wastewater (sewerage) supply charges in an unconnected context. I am unable to attend due to other commitments. The ongoing story that the owners of this test case house are being forced to pay for the supply of mains potable water and sewerage network charges they neither requested or use will be told to those touring this house in the 2008 during events such as Sustainable House Day and other tours of the house.

I would like to reinforce and reiterate my position that was made clear in my last submission to the ICRC that focused on the issue of "supply" or "availability" charges imposed on those who are not connected to Canberra's mains potable water supply and wastewater (sewerage) network. I would also like to comment on the approach taken by ICRC with regard to the above report.

I believe that the current situation of water and wastewater "services" being charged and delivered by a monopoly utility with possible legislative backing (read Utilities Act 2000) is both untenable and unsustainable. It is inherently unfair, uncompetitive and fails to provide financial incentive for others wishing to reduce their environmental footprint, be it water abstraction from our rivers (already stressed as a result of climate change), be it discharge of polluted water (sewerage from houses and industry) into the Molonglo, then Murrumbidgee Rivers, be it disconnecting from the inefficient and high greenhouse emitting infrastructure of Canberra's Lower Molonglo Water Quality Control Centre (LMWQCC). The stark reality of citizens being charged for a "service" they neither requested or use in a user pays context raises some serious questions. I believe there is scope in the Terms of Reference (TOR) that this issue is worthy of more that the consideration it may have been given in this pricing review.

Canberra's Sustainable House takes significant steps towards increased use of recycled water, reducing demand on Canberra's water storage and has demonstrated a dramatic reduction in a typical Canberra houses carbon footprint as a result of both it's solar power generation infrastructure and it's disconnection from the LMWQCC. Canberra's Sustainable House is not connected to mains water or the ACT sewerage network. It collects and uses all of it's rain water, other precipitation and stormwater on site, treats all of its "greywater" using on site energy efficient infrastructure and also utilises a waterless composting toilet all paid for solely by the owners – water based rebates were available. The house generates all of its electricity requirements plus an additional 80kWhr every 12 months using photovoltaic cells. This house has an annual carbon dioxide emission of less the 110 kilograms per annum. Despite the proactive steps taken by the owners they are still being financially penalised for their efforts and innovation.

It is disappointing that this Draft Report has been unable to make significant ground and move forward in the area of water and wastewater (sewerage) charges, particularly wastewater tariffs. Why does the ICRC have to wait for another review period and a submission from the monopoly utility ACTEW and/or ACTEWAGL to act proactively on this issue? Why should Canberra citizens be penalised as a result of Corporations and ACT government departments dragging the chain. There would appear to be incompetence or reluctance or both by ACT Government departments and ACTEW in the area of liaison over this issue. The draft decision (Report 11, December 2007) that, "new wastewater pricing arrangements will need to be deferred until the subsequent regulatory period" is unsatisfactory. It is a draft decision that has been made too easily and placed like a hot potato in the too hard basket. Best practice in water management and real reductions in carbon emissions demand that bodies such as the ICRC start making the hard decisions, rather than relying on the business as usual approach to these matters.

Further to the above point, I refer to the final paragraph in ICRC Report 11, December 2007, 11.3.3 (p127). Leaving a decision of this nature to a final decision provides no substantive opportunity for public consultation or meaningful comment.

I would strongly recommend that the ICRC stand up and make a positive decision on wastewater tariffs, at least with regard to citizens who are leading the way in environmental best practice in the ACT. The ICRC is writing it's history on this issue and has both the responsibility and the opportunity to take a positive stance and provide incentives where the current monopoly Utility ACTEWAGL has been unwilling to do so.

I look forward to your response and a decision that indicates the ICRC is contributing in a positive manner to the real issues surrounding water, energy and climate change.

Yours sincerely

A handwritten signature in black ink, appearing to read 'N Mayo', with a stylized flourish at the end.

Nicholas Mayo
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8 February 2008