



Media Release
Wednesday 20 May 2009

Public information campaign to inform Tasmanians about
water and sewerage changes

A public information campaign informing Tasmanians about the changes to water and sewerage services was launched today.

From 1 July, three new regional water corporations, Ben Lomond Water, Cradle Mountain Water and Southern Water, will begin the operation and management of the state's water and sewerage infrastructure.

Southern Water CEO Danny Sutton said the information campaign was an important step in keeping the public informed about the development of the three regional water corporations.

"Through radio, television and print media, we will be providing up-to-date information on the changes and how they will affect people," Mr Sutton said.

"All Tasmanian homes will also receive an information brochure in their mail box in early June outlining the changes and how it will affect them."

Mr Sutton said the three council owned, regional water corporations begin operating on 1 July with intense planning currently underway to ensure operational capability from this date.

"The important things, like being able to turn on the tap, have a glass of water or take a shower, will continue to stay the same and people should not see any difference," he said.

"If you are currently charged for town water or sewerage, you will now deal with a new service provider.

"Tasmanians can expect to receive the first account from their new water corporation sometime after mid August. There will be a comprehensive range of payment options available.

"The new structure will contribute to the rollout of \$1 billion of infrastructure developments over the next decade to improve the state's water and sewerage services.

"This will result in improved services over the long term.

"Through a coordinated, regional view of water and sewerage needs, the new corporations will be able to deliver a prioritised program of improvements with stronger clarity across the regions.

"A regional approach will also allow the new corporations to enhance the resilience of Tasmania's natural and urban environment through a strategic approach to issues such as catchment management, climate change and drought management."

For more information about the three regional water corporations, people can visit www.mywatertas.com.au.

ENDS

For more information: Tiziana Botti, 0409 421 080

NB: Please see below for an information sheet regarding the changes to Tasmanian water and sewerage services.

INFORMATION SHEET

Tasmanian Water and Sewerage Corporations

Tasmanian homes and businesses in reticulated areas will be serviced by one of the state's new water and sewerage corporations which come into effect from 1 July.

In addition to the regional corporations, a common services corporation, *Onstream*, will provide shared services to the three corporations including billing, IT and human resources.

These three corporations are:

- Ben Lomond Water (servicing the north of the state from St Helens to Deloraine, down to Ross and including Flinders Island)
- Cradle Mountain Water (servicing the north-west from Latrobe to Strahan, including King Island)
- Southern Water (servicing southern and eastern Tasmania – to Bicheno).

Ben Lomond Water:

Chief Executive Officer: Barry Cash

Number of employees on 1 July: 180

Local council owners: Break O'Day, Dorset, George Town, Flinders, Launceston City, Meander Valley, Northern Midlands and West Tamar.

Cradle Mountain Water:

Chief Executive Officer: Mike Paine

Number of employees on 1 July: 135

Local council owners: Burnie City, Circular Head, Central Coast, Devonport City, Kentish, King Island, Latrobe, Waratah-Wynyard and West Coast.

Southern Water:

Chief Executive Officer: Danny Sutton

Number of employees on 1 July: 280

Local council owners: Brighton, Central Highlands, Clarence City, Derwent Valley, Glamorgan-Spring Bay, Glenorchy City, Hobart City, Huon Valley Council, Kingborough, Sorell, Southern Midlands and Tasman.

Onstream:

Chief Executive Officer: Dr Christine Mucha

Number of employees on 1 July: 40

Ownership: The three regional corporations.

- Approximately 650 employees will transfer from local councils and bulk water authorities to the new regional corporations.

- Cradle Mountain Water's headquarters will be located at Forth, while Ben Lomond Water will operate predominately out of Launceston city and Southern Water out of central Hobart. Onstream's headquarters will also be based in Launceston.
- The new corporations' customers will number around 200,000 thousand homes and businesses across the state.
- The three regional corporations will be owned by the 29 local councils. The regional corporations have been designed to ensure the local councils receive dividends from their investment in infrastructure.
- The Government has released a draft Interim Price Order (IPO) which indicates water and sewerage charges will increase by up to 10 per cent.
- From 1 July, people will no longer be charged for water and sewerage services through their council rates bill.
- It is estimated that the loss of water and sewerage services from council rates bills could lead to a savings of up to 30 per cent. However these rate reductions are to be determined by each of the individual 29 local councils.
- Tasmanians can expect to receive the first of the accounts by the end of August, with a range of payment options available, similar to the current rates system.
- Under the new system, Concession Card holders will continue to receive a rebate. The details of who will pay this rebate is still under discussion.
- Levels of service will be developed and released in the form of customer charters and service improvements, through efficiencies, are a likely outcome.
- All enquires such as billing, connections, developments and the reporting of faults and services need to be directed to the regional corporations as of 1 July. In the meantime, it is business as usual for the customers of reticulated water and sewerage services and any problems should be directed to their local council.
- The State Government has stated that it expects the new corporations to undertake a \$1 billion capital works program over the next 10 years to improve Tasmania's water and sewerage services.
- The \$1 billion investment will result in improved water and sewerage services to Tasmanians and may one day result in a number of

regional areas in Tasmania receiving water and sewerage services for the first time.

- The corporations will work with teams of catchment and environmental scientists and organisations to conserve the value of local environments and ensure the sustainable management of the entire water cycle, ensuring the protection of one Tasmania's most precious resources.
- Customers of the new water and sewerage services will directly benefit economically over time in two key ways. Firstly through the return of profits in the form of dividends back to the owner councils, and secondly through the planned strategic infrastructure improvements.