

Developer Charges Pricing Policy

1 Aim

Southern Water is committed to providing clarity to developers in regard to the application of Developer Charges

2 Legislation

Water and Sewerage Industry Act 2008

3 Background

Prior to the formation of Southern Water, owner Councils had differing approaches to the levying of Developer Charges

Clause 6.5 of the Interim Price Order (IPO) requires Southern Water to provide a submission to the Treasurer regarding its view on the appropriate principles for the setting of developer charges by 30 September 2009

However, clause 6.3 of the IPO requires Southern Water to publish on its website by 1 August 2009 the developer charges pricing policy for the first year of the IPO (i.e. 2009/10)

4 Policy

Southern Water will honour any permits issued or agreement made in respect of developer charges prior to 1 July 2009

Developer charges to apply from 1 July 2009 are:

- All in subdivision infrastructure is to be provided by the developer at the developer's cost and passed to Southern Water;
- All external infrastructure solely required to service the development is to be provided at the developer's cost;
- An infrastructure contribution (headwork's charge) shall be payable by the developer prior to the issuing of the Certificate for Registration of Legal Document. The contribution will be calculated by Southern Water and be based on the economic burden the development places on the infrastructure

5 Responsibilities

The Chief Executive Officer is responsible for implementing this policy

6 References

- Interim Pricing Order, 1 July 2009

Approved by the Board on 7/05/2010

Signed: *Michael Keir*