



LEGISLATIVE ASSEMBLY
FOR THE AUSTRALIAN CAPITAL TERRITORY

SELECT COMMITTEE ON ESTIMATES 2024-2025

Ms Nicole Lawder MLA (Chair), Ms Suzanne Orr MLA (Deputy Chair),
Miss Laura Nuttall MLA

ANSWER TO QUESTION ON NOTICE

Asked By: Mrs Elizabeth Kikkert MLA

Addressed to: Treasurer

Reference: CMTEDD, Budget Statement B, p. 193, Icon Water

Hearing Date: 30/07/2024

In relation to: Icon Water charges to residential customers with unmetered connections

QON lodgement Date: 02/08/2024

Answer Due date: 08/08/2024

- (1) How many residential customers of Icon Water in the ACT currently have unmetered connections?**
- (2) Of these, how many are standalone dwellings, townhouses, and how many are unit developments?**
- (3) What are the name and location of each unit development, townhouses and standalone dwellings in the ACT that has an unmetered water connection?**
- (4) Icon Water's website and media releases repeatedly refer to 'a typical household using 200 kilolitres of water per year'. What parameters (such as number of people, size of garden, etc.) are used to determine this 'typical household' and its estimated water usage?**
- (5) What are the average and median annual water consumption amounts for residential customers in the ACT?**
- (6) Why are unit residents being charged \$710.50 p.a. for 'unmetered water charges (deemed supply)' if the 'typical household using 200 kilolitres of water per year' would be charged only \$512 p.a. (50kL/quarter x \$2.56 per kL)?**
- (7) What assumptions and data are used to determine the unmetered deemed water usage, and who makes this determination?**
- (8) For what reason/s would a residential customer living in a unit development with an unmetered water connection be required to pay for 'sewerage supply fixtures' intended for 'community, churches, school, hospital, etc.' that have more than two flushing fixtures?**

(9) Why is the annual sewerage supply fixtures charge for residents of unit developments with unmetered connections set at \$283.25 p.a., which is exactly half the listed charge of \$566.50 per excess flushing fixture?

(10) Has any unmetered customers disputed their fee charges in the past, due to them using less water than other members in their complex? How many and what was the outcome?

Andrew Barr MLA: I have sought advice from Icon Water and their answers to the Member's questions are as follows:

(1),(2),(3) Noting the short turnaround time for responses to the Committee due to the need for the Committee to finalise its report, it is not possible to provide responses to Questions 1, 2 and 3. There are a number of data sets from within different systems that have to be extracted, analysed and validated to be able to provide this information. Substantial additional time would be required.

(4) 200 kilolitres (kl) is a standard unit of measure for water utilities which has not been derived by Icon Water. Annual water consumption of 200kL is a standard measure used by the Bureau of Meteorology (BOM) as part of the National Performance Report. "The annual bill based on 200kL aids comparisons between utilities" ([National performance report 2022–23: urban water utilities \(bom.gov.au\)](https://www.bom.gov.au), pg. 38).

(5) The average usage (taken from an existing reporting requirement to the BOM) on a metered residential account was 159.4kL in 2023-24. Determining the median usage would require data extraction, analysis and validation that is not possible within the timeframe available to provide responses to the Committee.

(6) Unit complexes are metered at the boundary (one single main meter), or, with a main meter supported by individual metering for each unit. Unit complexes do not fall under the Class 6 unmetered and unconnected charge. The applicable charge category is Class 3 of [Attachment 1 - standard water and sewerage service charges 2024-2025 \(iconwater.com.au\)](https://www.iconwater.com.au).

For parcels of land that are connected to the water supply network, but which are not metered, Class 6 category (deemed) charges of \$710.50 per annum apply. For comparison, a single residential customer consuming 200 kl of water per annum, paying Tier 1 standard water charges (Class 1 category charges), would pay \$736.98 per annum. This includes a consumption- based charge of \$512 (\$2.56 x 200 kL), and an annual supply charge of \$224.98.

(7) Icon Water's charges are set by the Independent Competition and Regulatory Commission (ICRC) over a five-year term with annual adjustments allowed for changes in specific economic parameters. Under these arrangements charges do not necessarily reflect actual customer consumption behaviours and use a deemed rate of usage which is reviewed by ICRC every five years.

(8) Noting unit development connections are not unmetered as a main meter is installed at the land boundary, application of relevant supply charges is determined through land use as prescribed by the ACT Planning and Land Authority (ACTPLA). Based on Icon Water's schedule of charges, this above scenario is captured under our 'Class 4' category. The tariffs applied to class 4 customers can be found on page 4 of [Attachment 1 - standard water and sewerage service charges 2024-2025 \(iconwater.com.au\)](https://www.iconwater.com.au).

(9) Icon Water's charges are set by the Independent Competition and Regulatory Commission (ICRC) over a five-year term with annual adjustments allowed for changes in specific economic parameters. Under these arrangements charges do not necessarily reflect actual customer consumption behaviours and use a deemed rate of usage which is reviewed by ICRC every five years.

(10) Noting unit development connections are not unmetered as a main meter is installed at the land boundary, if the unit complex does not have individual metering at a unit level, Icon Water invoices for all water consumption to the relevant Body Corporate. Any on-distribution of these charges is determined by the relevant Body Corporate and outside Icon Water purview.

Icon Water has received enquiries from customers who live in unit complexes that do not have an individual water meter affixed to each unit. Icon Water advises these customers to discuss the water usage apportionment methodology with their body corporate.

Icon Water cannot determine the number of customers who have made contact for this purpose as the data in its contact management system is not categorised to the required level of detail. The ACT Government has recently passed new legislation that will require individual water metering for new unit title developments, as per dates prescribed by the [Utilities \(Technical Regulation\) \(Water and Sewerage Code\) Approval 2024](#) Schedule 2: Transition Section 5.

Approved for circulation to the Select Committee on Estimates 2024-2025

Signature: 

Date: 9.8.24

By the Treasurer, Andrew Barr MLA