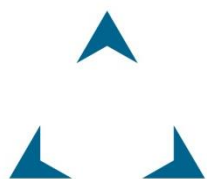


**Water and Wastewater  
Residential Price Benchmarking**  
*Large Queensland Service Providers*

2013/14



**AECgroup**  
Outcome Driven

# Outcomes Summary

**AECgroup is an industry leader in the provision of advice to local governments across Australia in relation to financial and pricing outcomes and strategies for the water and wastewater sectors. If you require assistance regarding pricing levels or charging structures, please don't hesitate to contact Gavin O'Donovan, Director and Principal Consultant, on (07) 3831 0577 or gavin.odonovan@aecgrouppltd.com.**

## Water Pricing

The Queensland industry median water charge for residential customers serviced by large local government utilities was calculated as:

- \$716.36 for a household consuming 200kL per annum (an increase of 7.5% on the prior year median of \$666.13); and
- \$1,158.61 for a household consuming 400kL per annum (an increase of 8.5% on the prior year median of \$1,067.56).

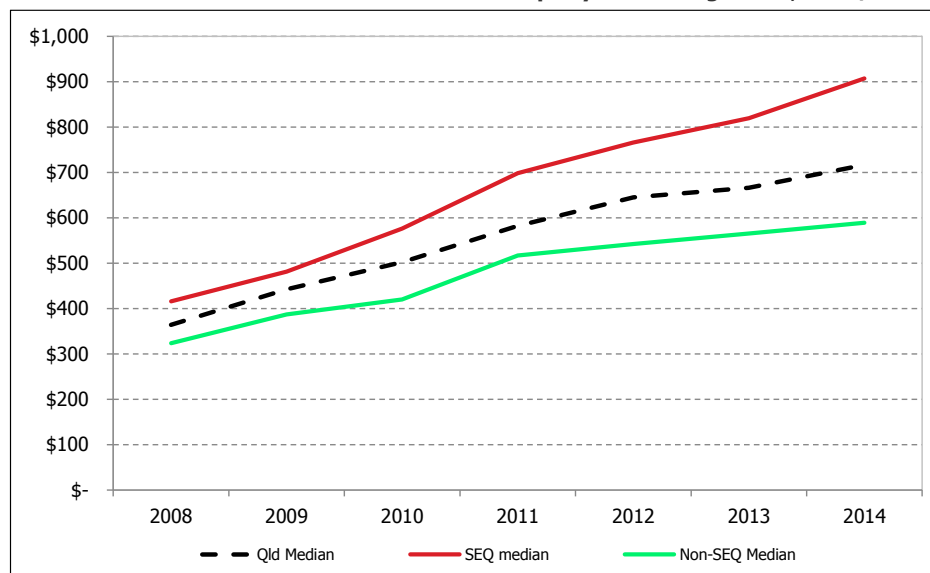
The increase in the median charge was dominated by the increase in SEQ water prices with the SEQ median charge increasing by 10.4% at 200kL consumption and 12.4% at 400kL consumption. Meanwhile, the non-SEQ median charge increased by 4.2% at 200kL consumption and 6.2% at 400kL consumption.

The following graph shows that the SEQ median charge at 200kL consumption has increased at a level greater than the non-SEQ median charge, to the extent that gap between the SEQ and non-SEQ median charges has increased from \$93 in 2007/08 to \$318 in 2013/14.

In fact, the SEQ median charge is 54% higher than the non-SEQ median charge, largely due to the bulk water charges levied across SEQ as a result of the Queensland Government water grid, with this trend expected to worsen in the next few years.

The extent of the differential also increases as the consumption level increases, meaning that the relative cost impost is considerably greater for larger families.

**Median Residential Water Bill over Time for a Property Consuming 200kL, 2007/08-2013/14**



Source: AECgroup

Looking forward, water price increases look like they will continue to outstrip wastewater price increases due to the ongoing increase in the Queensland Government bulk water charges in SEQ. For example, bulk water prices in Redland are still scheduled to be increased by a further 87% between 2013/14 and 2017/18. Further, we are aware of some significant bulk water price increases being proposed for selected non-SEQ regions.

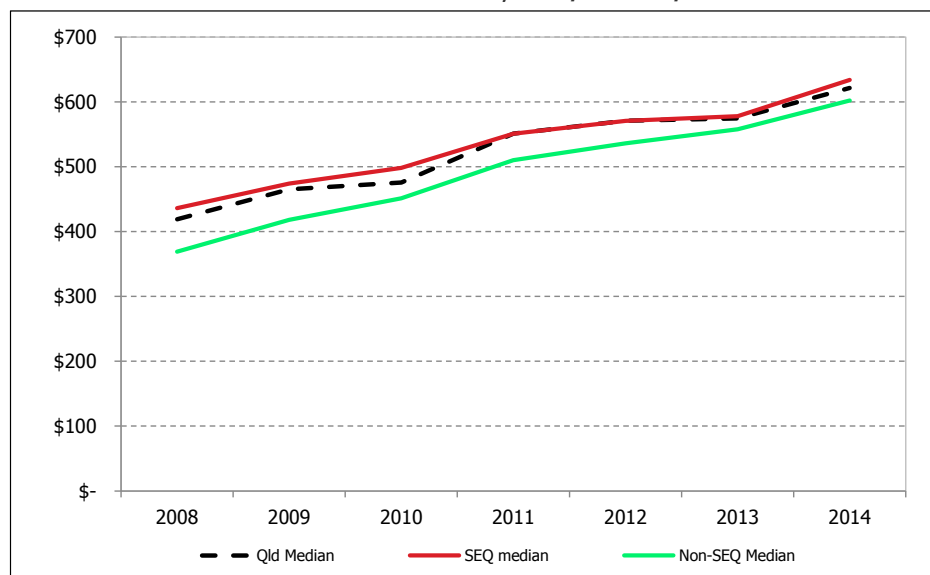
## Wastewater Pricing

The Queensland industry median wastewater charge for residential customers serviced by large local government utilities was calculated as \$621.44, an increase of 8.2% on the prior year median of \$574.40.

The increase in the median charge was impacted by large increases in both the SEQ median charge (up 9.6% on the prior year median) and the non-SEQ median charge (up 7.9% on the prior year median).

The following graph shows that annual increases in non-SEQ median charges have generally been greater than those in SEQ, resulting in a reduction in the gap between the two from \$67 in 2007/08 to \$32 in 2013/14.

**Median Residential Wastewater Bill over Time, 2007/08-2013/14**



Source: AECgroup

Looking forward, wastewater price increases are anticipated to be relatively higher in non-SEQ regions due to the cost imposition from increasing compliance requirements and treatment plant upgrades being spread over a smaller customer base.

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# 1. Water Pricing Levels

The following table provides detailed information on the prices charged for a water service in 2013/14 by selected large service providers in Queensland on a normal residential property.

## Water Price Benchmarking for Large Service Providers in Queensland, 2013/14

Council/Service Provider & Location	Base Charge	Consumption Charge (Rounded)	Discount	Notes
<b>SEQ WATER GRID</b>				
<b>QLD Urban Utilities</b>				
Brisbane Region	\$173.64	State Bulk = \$2.302/kL 0-252kL = \$0.692909/kL 252-304kL = \$0.735550/kL >304kL = \$1.311197/kL	0%	<ul style="list-style-type: none"> <li>In each region with consumption tiers, the tiers are annual equivalents, with the actual consumption tier applied each quarter calculated on a litres per day equivalent (i.e. dividing the relevant tier threshold by 365 days and then multiplying by the actual number of days between meter reads)</li> <li>In the Brisbane region, non-residential customers are levied different consumption charges (\$0.831501/kL, \$0.950287/kL and \$1.393035/kL) and feature different first and second consumption tiers (196kL and 296kL)</li> <li>In the Ipswich region, non-residential use is subject to a two-tier charging system using the first tier residential threshold (i.e. \$0.853099 and \$1.727796 consumption charges with the bulk water charge also applicable)</li> <li>In the Ipswich region, connected properties that are not metered are subject to an annual charge of \$1,047.84</li> </ul>
Ipswich Region	\$290.88	State Bulk = \$2.238/kL 0-316kL = \$0.842151/kL 317-472kL = \$1.343178/kL >472kL = \$1.705622/kL	0%	
Scenic Rim Region	\$290.88	State Bulk = \$2.602/kL >0kL = \$0.863471/kL	0%	
Lockyer Valley Region	\$290.88	State Bulk = \$2.495/kL 0-296kL = \$0.234523/kL >296kL = \$1.129975/kL	0%	
Somerset Region	\$290.88	State Bulk = \$2.872/kL 0-296kL = \$0.245183/kL >296kL = \$0.564987/kL	0%	
<b>Unitywater</b>				
Moreton Bay Region	\$293.56	State Bulk = \$2.437/kL 0-300kL = \$0.644/kL >300kL = \$1.288/kL	0%	<ul style="list-style-type: none"> <li>The first tier threshold is an annual equivalent, with the actual consumption charge levied quarterly on a first tier threshold of 822 litres per day times the number of days between meter reads</li> </ul>
Sunshine Coast Region	\$231.76	State Bulk = \$1.855/kL 0-300kL = \$0.644/kL >300kL = \$1.288/kL	0%	
<b>Gold Coast</b>				
	\$205.72	State Bulk = \$2.47/kL >0kL = \$1.06/kL	0%	<ul style="list-style-type: none"> <li>The base charge for 20mm non-residential connections is higher than that for residential properties at \$366.44</li> <li>Recycled water is available in the Pimpama Coomera Dual Reticulation Area at \$1.71/kL</li> </ul>
<b>Logan</b>				
	\$279.00	State Bulk = \$2.628/kL >0kL = \$0.9533/kL	0%	
<b>Redland</b>				
	\$257.55	State Bulk = \$1.717/kL 0-146kL = \$0.84/kL 146-292kL = \$1.35/kL >292kL = \$1.86/kL	0%	<ul style="list-style-type: none"> <li>The tier thresholds are set on the basis of 400 litres per day (first tier) and 800 litres per day (second tier)</li> <li>The 20mm base charge for non-residential connections is higher than that for residential properties at \$335.00</li> <li>The consumption charge for non-residential connections is a single tier charge set at the third tier residential charge of \$1.86/kL (excluding the State bulk water charge)</li> </ul>
<b>OTHER QUEENSLAND</b>				
<b>Bundaberg</b>				
Potable	\$379.00	0-366kL = \$1.05/kL >366kL = \$1.70/kL	0%	<ul style="list-style-type: none"> <li>The tier thresholds are annual equivalents, with the actual consumption charge levied six-monthly on a first tier threshold of 183kL per six months</li> </ul>
Non-potable	\$303.00	0-366kL = \$0.84/kL >366kL = \$1.36/kL	0%	
<b>Cairns</b>				
	\$242.10	\$1.09/kL	0%	<ul style="list-style-type: none"> <li>Commercial water consumption charges are higher than residential charges at \$1.16/kL (excluding rural productive properties which are charged at \$1.09/kL)</li> <li>Water supplied to Far North Queensland Ports Group Ltd for shipping is charged at \$1.61/kL</li> <li>Where recycled water is available, an access charge of \$59.38 is applicable in addition to a consumption charge of \$0.55/kL (set at 50% of the potable rate)</li> </ul>

Council/Service Provider & Location	Base Charge	Consumption Charge (Rounded)	Discount	Notes
<b>Fraser Coast</b>	\$444.00	\$1.57/kL	7.5%	<ul style="list-style-type: none"> <li>The new water consumption charge applies from 1 November through to 31 October the following year</li> </ul>
<b>Gladstone</b>				<ul style="list-style-type: none"> <li>Bulk water from the Lake Awoonga Scheme is supplied by the Gladstone Area Water Board (GAWB), which is subject to formal pricing reviews by the Queensland Competition Authority</li> <li>Discount reduces to 5% if paid within 31-60 days</li> </ul>
Lake Awoonga Scheme	\$349.00	\$1.59/kL	10% (base)	
Miriam Vale/Bororen	\$451.00	\$3.60/kL	10% (base)	
Agnes Water/1770	\$461.00	\$3.65/kL	10% (base)	
Beecher/Burua, Tuckers Road	\$349.00	\$1.76/kL	10% (base)	
<b>Gympie</b>	\$360.00	0-250kL = \$1.00/kL >250kL = \$1.80/kL	5%	
<b>Mackay</b>	\$334.95	0-300kL = \$1.60/kL >300kL = \$2.40/kL	10% (base)	<ul style="list-style-type: none"> <li>The first tier threshold is an annual equivalent, with the actual consumption charge levied six-monthly on a first tier threshold of 150kL per six months</li> </ul>
<b>Rockhampton</b>				<ul style="list-style-type: none"> <li>The application of the consumption tiers is on a cumulative basis, such that the second and third tiers are only levied when they are reached through the year rather than being apportioned to each quarterly meter read</li> <li>Non-residential properties are only levied a single tier water consumption charge of \$1.55/kL for the Rockhampton, Gracemere and Mount Morgan service areas, and \$1.51/kL in all other service areas</li> </ul>
Rockhampton	\$332.70	0-300kL = \$0.67/kL 301-600kL = \$1.04/kL >600kL = \$2.09/kL	10% (base)	
Gracemere	\$354.30	0-300kL = \$0.67/kL 301-600kL = \$1.04/kL >600kL = \$2.09/kL	10% (base)	
Mount Morgan	\$365.10	0-300kL = \$0.67/kL 301-600kL = \$1.04/kL >600kL = \$2.09/kL	10% (base)	
Capricorn Coast	\$492.90	0-300kL = \$0.66/kL 301-600kL = \$1.01/kL >600kL = \$2.04/kL	10% (base)	
The Caves	\$340.20	0-300kL = \$0.66/kL 301-600kL = \$1.01/kL >600kL = \$2.04/kL	10% (base)	
Nerimbera	\$324.40	0-300kL = \$0.66/kL 301-600kL = \$1.01/kL >600kL = \$2.04/kL	10% (base)	
Marlborough	\$340.20	0-300kL = \$0.66/kL 301-600kL = \$1.01/kL >600kL = \$2.04/kL	10% (base)	
Ogmore	\$285.40	0-300kL = \$0.66/kL 301-600kL = \$1.01/kL >600kL = \$2.04/kL	10% (base)	
<b>Toowoomba</b>				<ul style="list-style-type: none"> <li>The tiers are annual equivalents, with the actual consumption charge levied six-monthly on first and second tier thresholds of 50% of these annual equivalents per six months</li> <li>The consumption tier thresholds applied to a property increase with the size of the water connection</li> </ul>
District Connections to Non-Toowoomba Bulk Water Supply	\$430.00	0-250kL = \$1.08/kL >250kL = \$1.89/kL	10%	
District Connections to Toowoomba Bulk Water Supply	\$590.00	0-200kL = \$2.20/kL >200kL = \$3.47/kL	10%	
District Connections to Low Flow Supply	\$295.00	0-200kL = \$2.20/kL >200kL = \$3.47/kL	10%	
District Connections to Non-Potable Supply	\$215.00	0-250kL = \$0.54/kL >250kL = \$0.95/kL	10%	
<b>Townsville</b>				<ul style="list-style-type: none"> <li>Non-contributing customers (i.e. those not having contributed to scheme capital at the time of development) are subject to a \$0.50/kL surcharge</li> <li>The non-residential consumption charge is set higher than the water watchers residential charge at \$2.67/kL</li> <li>Bulk water and non-potable water customers are levied a consumption charge of \$2.12/kL</li> </ul>
Standard Plan	\$714.00	772kL allocation >772kL = \$2.74/kL	0%	
Water Watchers Plan	\$325.00	\$1.30/kL	0%	

Source: AECgroup, assorted service providers



## 2. Water Consumption Charge Trends

The following table outlines the gross consumption charges adopted by selected water service providers in Queensland since 2007/08.

**Consumption Charge Trends for Selected Water Service Providers in Queensland, 2007/08-2013/14**

Council	2013/14	2012/13	2011/12	2010/11	2009/10	2008/09	2007/08
Brisbane (QLD Urban Utilities)	0-252kL=\$2.994909/kL 252-304kL=\$3.03755/kL >304kL=\$3.613197/kL	0-255kL = \$2.72/kL 256-310kL = \$2.76/kL >310kL = \$3.32/kL	0-255kL = \$2.45/kL 256-310kL = \$2.49/kL >310kL = \$3.05/kL	0-255kL = \$2.17/kL 256-310kL = \$2.21/kL >310kL = \$2.75/kL	0-255kL = \$1.84/kL 256-310kL = \$1.88/kL >310kL = \$2.39/kL	0-255kL = \$1.52/kL 256-310kL = \$1.56/kL >310kL = \$2.05/kL	0-255kL = \$1.19/kL 256-310kL = \$1.23/kL >310kL = \$1.69/kL
Bundaberg	0-366kL = \$1.05/kL >366kL = \$1.70/kL	0-366kL = \$1.00/kL >366kL = \$1.65/kL	0-366kL = \$0.95/kL >366kL = \$1.60/kL	0-366kL = \$0.87/kL >366kL = \$1.50/kL	0-366kL = \$0.78/kL >366kL = \$1.40/kL	0-366kL = \$0.70/kL >366kL = \$1.30/kL	0-600kL = \$0.50/kL 601-1,000kL = \$0.70/kL >1,000kL = \$1.10/kL
Cairns	\$1.09/kL	\$1.12/kL	\$1.01/kL	\$0.96/kL	\$0.89/kL	\$0.82/kL	45kL allocation >45kL = \$0.72/kL
Hervey Bay (Fraser Coast)	\$1.57/kL	\$1.50/kL	\$1.43/kL	\$1.37/kL	\$1.37/kL	\$1.15/kL	\$1.05/kL
Maryborough (Fraser Coast)	\$1.57/kL	\$1.50/kL	\$1.43/kL	\$1.37/kL	0-170kL = \$1.12/kL >170kL = \$1.24/kL	0-170kL = \$0.94 >170kL = \$1.04	\$0.88/kL
Gladstone	\$1.59/kL	\$1.55/kL	\$1.95/kL	\$1.50/kL	\$0.95/kL	\$0.90/kL	0-400kL = \$0.65/kL 401-1,000kL = \$0.99/kL >1,000kL = \$1.32/kL
Gold Coast	\$3.53/kL	\$3.26/kL	\$2.99/kL	\$2.68/kL	\$2.24/kL	\$1.87/kL	\$1.45/kL
Gympie	0-250kL = \$1.00/kL >250kL = \$1.80/kL	0-250kL = \$0.95/kL >250kL = \$1.64/kL	0-250kL = \$0.90/kL >250kL = \$1.50/kL	0-250kL = \$0.80/kL >250kL = \$1.50/kL	0-250kL = \$0.70/kL >250kL = \$1.50/kL	0-250kL = \$0.60/kL >250kL = \$1.50/kL	0-290kL = \$0.59/kL >290kL = \$1.44/kL
Ipswich (QLD Urban Utilities)	0-316kL=\$3.080151/kL 317-472kL=\$3.581178/kL >472kL=\$3.943622/kL	0-320kL = \$2.80/kL 321-480kL = \$3.29/kL >480kL = \$3.63/kL	0-320kL = \$2.53/kL 321-480kL = \$3.02/kL >480kL = \$3.36/kL	0-320kL = \$2.24/kL 321-480kL = \$2.71/kL >480kL = \$3.05/kL	0-320kL = \$1.91/kL 321-480kL = \$2.36/kL >480kL = \$2.68/kL	0-320kL = \$1.53/kL 321-480kL = \$1.89/kL >480kL = \$2.14/kL	0-320kL = \$1.25/kL 321-480kL = \$1.55/kL >480kL = \$1.75/kL
Logan	\$3.5813/kL	\$3.28/kL	\$3.00/kL	\$2.70/kL	\$2.25/kL	\$1.82/kL	\$1.43/kL
Mackay	0-300kL = \$1.60/kL >300kL = \$2.40/kL	0-300kL = \$1.49/kL >300kL = \$2.25/kL	0-300kL = \$1.40/kL >300kL = \$2.11/kL	0-300kL = \$1.33/kL >300kL = \$2.01/kL	0-300kL = \$1.13/kL >300kL = \$1.70/kL	0-300kL = \$1.00/kL >300kL = \$1.50/kL	0-300kL = \$0.95/kL >300kL = \$1.30/kL
Caboolture (Unitywater)	0-300kL = \$3.081/kL >300kL = \$3.725/kL	0-280kL = \$2.37/kL 281-360kL = \$3.04/kL >360kL = \$3.50/kL	0-280kL = \$2.10/kL 281-360kL = \$2.77/kL >360kL = \$3.23/kL	0-280kL = \$1.82/kL 281-360kL = \$2.47/kL >360kL = \$2.91/kL	0-280kL = \$1.50/kL 281-360kL = \$2.04/kL >360kL = \$2.40/kL	0-350kL = \$1.06/kL 351-700kL = \$1.60/kL >700kL = \$1.96/kL	0-350kL = \$0.83/kL 351-700kL = \$1.27/kL >700kL = \$1.60/kL
Pine Rivers (Unitywater)	0-300kL = \$3.081/kL >300kL = \$3.725/kL	0-280kL = \$2.37/kL 281-360kL = \$3.04/kL >360kL = \$3.50/kL	0-280kL = \$2.10/kL 281-360kL = \$2.77/kL >360kL = \$3.23/kL	0-280kL = \$1.82/kL 281-360kL = \$2.47/kL >360kL = \$2.91/kL	0-280kL = \$1.50/kL 281-360kL = \$2.04/kL >360kL = \$2.40/kL	0-280kL = \$1.06/kL 281-360kL = \$1.60/kL >360kL = \$1.96/kL	0-280kL = \$1.00/kL 281-360kL = \$1.70/kL >360kL = \$2.20/kL
Redcliffe (Unitywater)	0-300kL = \$3.081/kL >300kL = \$3.725/kL	0-280kL = \$2.37/kL 281-360kL = \$3.04/kL >360kL = \$3.50/kL	0-280kL = \$2.10/kL 281-360kL = \$2.77/kL >360kL = \$3.23/kL	0-280kL = \$1.82/kL 281-360kL = \$2.47/kL >360kL = \$2.91/kL	0-280kL = \$1.50/kL 281-360kL = \$2.04/kL >360kL = \$2.40/kL	0-300kL = \$0.98/kL 301-600kL = \$1.60/kL >600kL = \$1.96/kL	0-300kL = \$0.52/kL 301-600kL = \$1.04/kL >600kL = \$1.56/kL
Redland	0-146kL = \$2.557/kL 146-292kL = \$3.067/kL >292kL = \$3.577/kL	0-146kL = \$2.16/kL 147-292kL = \$2.59/kL >292kL = \$3.02/kL	0-146kL = \$1.88/kL 147-292kL = \$2.31/kL >292kL = \$2.73/kL	0-146kL = \$1.59/kL 147-292kL = \$2.00/kL >292kL = \$2.41/kL	0-146kL = \$1.55/kL 147-292kL = \$1.95/kL >292kL = \$2.35/kL	0-146kL = \$1.28/kL 147-292kL = \$1.62/kL >292kL = \$1.96/kL	0-183kL = \$0.75/kL 183-292kL = \$0.95/kL >292kL = \$1.15/kL

Council	2013/14	2012/13	2011/12	2010/11	2009/10	2008/09	2007/08
Rockhampton	0-300kL = \$0.67/kL 301-600kL = \$1.04/kL >600kL = \$2.09/kL	0-300kL = \$0.62/kL 301-600kL = \$0.96/kL >600kL = \$1.93/kL	0-300kL = \$0.59/kL 301-600kL = \$0.91/kL >600kL = \$1.83/kL	0-300kL = \$0.57/kL 301-600kL = \$0.88/kL >600kL = \$1.77/kL	0-300kL = \$0.53/kL 301-600kL = \$0.83/kL >600kL = \$1.66/kL	0-300kL = \$0.48/kL 301-600kL = \$0.75/kL >600kL = \$1.50/kL	0-300kL = \$0.42/kL 301-600kL = \$0.66/kL >600kL = \$1.33/kL
Caloundra (Unitywater)	0-300kL = \$2.499/kL >300kL = \$3.143/kL	0-219kL = \$2.15/kL >219kL = \$2.65/kL	0-219kL = \$1.88/kL >219kL = \$2.38/kL	0-219kL = \$1.59/kL >219kL = \$2.07/kL	0-219kL = \$1.35/kL >219kL = \$1.80/kL	0-250kL = \$1.10/kL >250kL = \$1.50/kL	0-210kL = \$1.15/kL >210kL = \$1.35/kL
Maroochy (Unitywater)	0-300kL = \$2.499/kL >300kL = \$3.143/kL	0-219kL = \$2.15/kL >219kL = \$2.65/kL	0-219kL = \$1.88/kL >219kL = \$2.38/kL	0-219kL = \$1.59/kL >219kL = \$2.07/kL	0-219kL = \$1.35/kL >219kL = \$1.80/kL	0-250kL = \$1.10/kL >250kL = \$1.50/kL	0-300kL = \$0.95/kL >300kL = \$1.30/kL
Noosa (Unitywater)	0-300kL = \$2.499/kL >300kL = \$3.143/kL	0-219kL = \$2.15/kL >219kL = \$2.65/kL	0-219kL = \$1.88/kL >219kL = \$2.38/kL	0-219kL = \$1.59/kL >219kL = \$2.07/kL	0-219kL = \$1.35/kL >219kL = \$1.80/kL	0-250kL = \$1.10/kL >250kL = \$1.50/kL	\$0.95/kL
Toowoomba	0-200kL = \$2.20/kL >200kL = \$3.47/kL	0-200kL = \$2.10/kL >200kL = \$3.30/kL	0-200kL = \$2.10/kL >200kL = \$3.30/kL	0-200kL = \$1.50/kL >200kL = \$2.80/kL	0-200kL = \$1.50/kL >200kL = \$2.80/kL	0-200kL = \$0.80/kL 201-500kL = \$1.50/kL >500kL = \$3.00/kL	0-200kL = \$0.70/kL 201-500kL = \$1.50/kL >500kL = \$3.00/kL
Townsville	772kL allocation >772kL = \$2.74/kL* OR \$1.30/kL**	772kL allocation* >772kL = \$2.61/kL* OR \$1.24/kL**	772kL allocation* >772kL = \$2.49/kL* OR \$1.18/kL**	\$0.65/kL	0-772kL = \$0.69/kL >772kL = \$2.12/kL	772kL allocation >772kL = \$2.12/kL	776kL allocation >776kL = \$1.80/kL
Thuringowa (Townsville)	772kL allocation >772kL = \$2.74/kL* OR \$1.30/kL**	772kL allocation* >772kL = \$2.61/kL* OR \$1.24/kL**	772kL allocation* >772kL = \$2.49/kL* OR \$1.18/kL**	\$0.65/kL	0-772kL = \$0.69/kL >772kL = \$2.12/kL	0-882kL = \$0.60/kL >882kL = \$2.12/kL	0-882kL = \$0.60/kL >882kL = \$1.90/kL

Notes: \*Standard Plan, \*\*Water Watchers Plan  
Source: AECgroup, assorted service providers

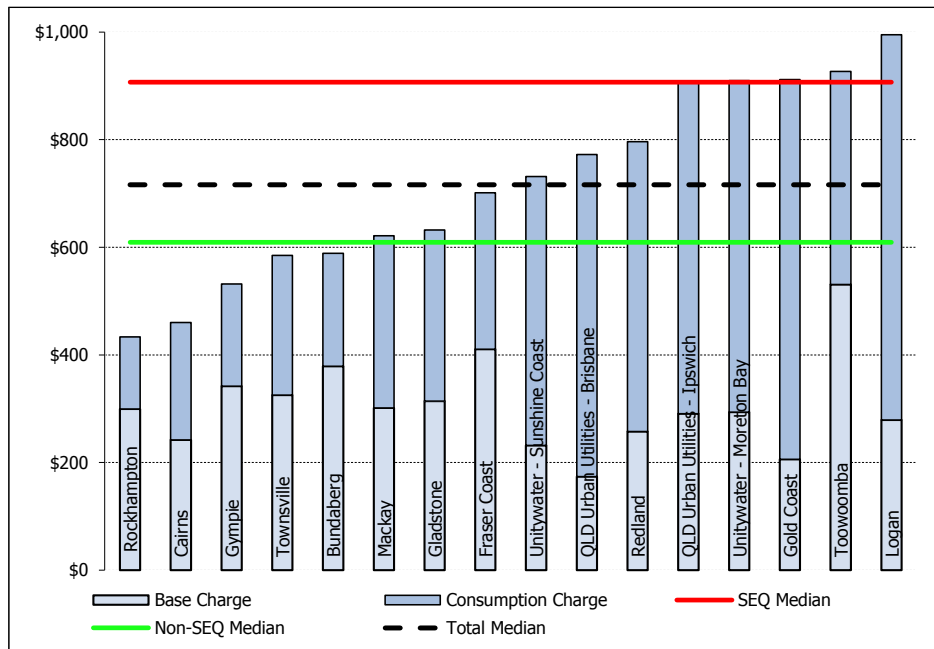




### 3. Comparison of Water Charges

The graph below compares an annual residential water bill at consumption of 200kL (net of any relevant discount). The industry median charge is \$716.36, an increase of 7.5% on the prior year median of \$666.13. The Queensland industry median is significantly impacted by the bulk water charges levied across SEQ as a result of the State Government water grid, with the SEQ median charge of \$906.91 (up 10.4% on the prior year median) being 54% higher than the non-SEQ median charge of \$589.00 (up 4.2% on the prior year median).

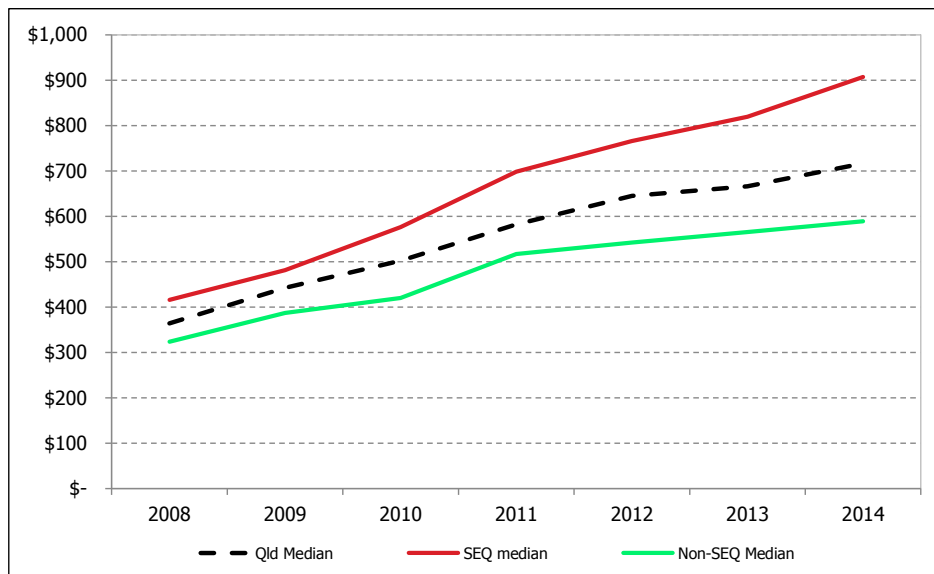
**Average Residential Water Bill for a Property Consuming 200kL, 2013/14**



Note: Water Watchers Plan used for Townsville residential bill calculation  
Source: AECgroup

The following graph provides a summary of SEQ and non-SEQ median residential charges for a property consuming 200kL per annum over time. It is evident that the SEQ median charge has increased at a level greater than the non-SEQ median charge, to the extent that gap between the SEQ and non-SEQ median charges has increased from \$93 in 2007/08 to \$318 in 2013/14.

**Median Residential Water Bill over Time for a Property Consuming 200kL, 2007/08-2013/14**

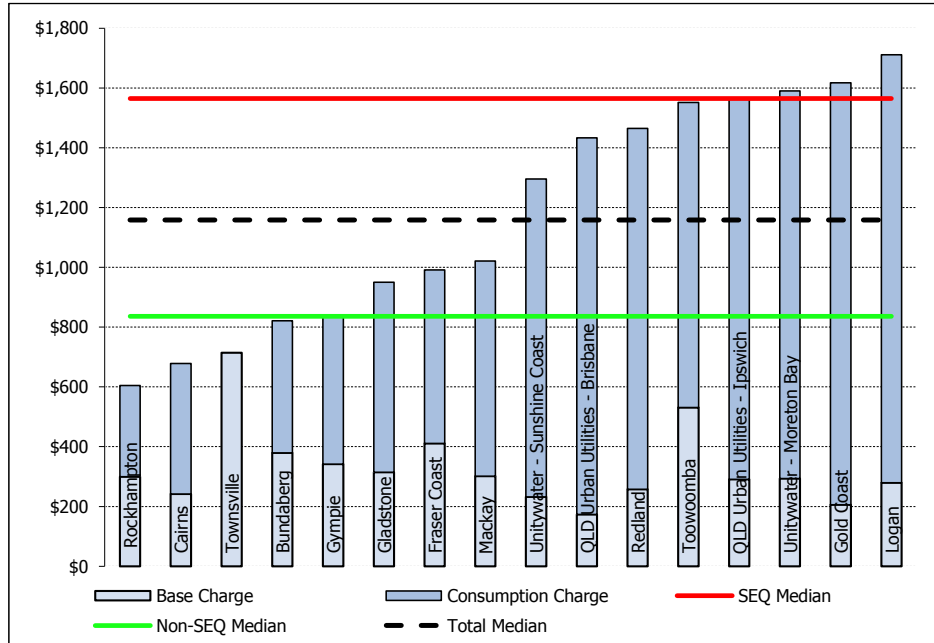


Source: AECgroup



The graph below compares an annual residential water bill at consumption of 400kL (net of any relevant discount). The median charge of \$1,158.61 is 8.5% higher than the prior year median of \$1,067.56. Again, the industry median is significantly impacted by bulk water charges levied across SEQ, with the SEQ median charge of \$1,565.03 (up 12.4% on the prior year median) being 87% higher than the non-SEQ median charge of \$836.00 (up 6.2% on the prior year median).

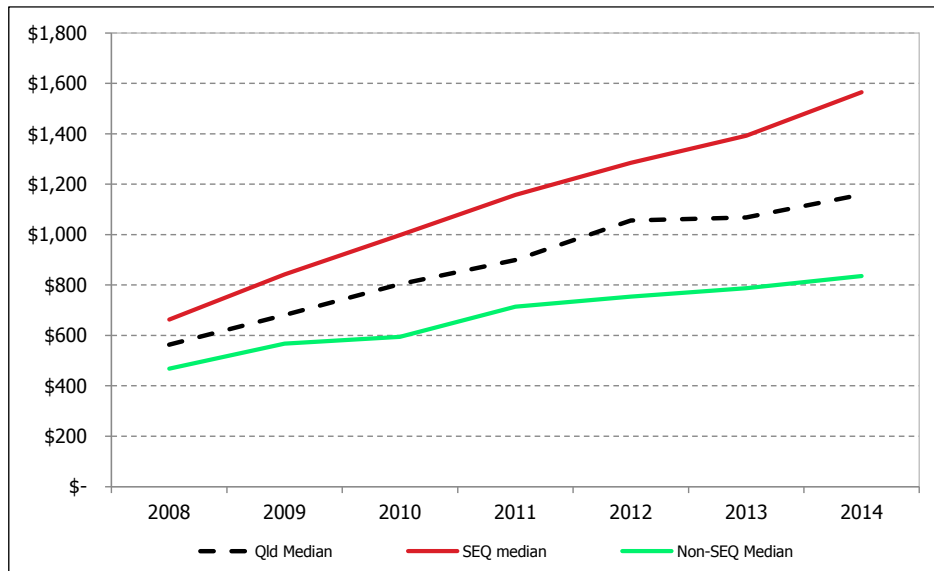
**Average Residential Water Bill for a Property Consuming 400kL, 2013/14**



Note: Standard Plan used for Townsville residential bill calculation  
Source: AECgroup

The following graph provides a summary of SEQ and non-SEQ median residential charges for a property consuming 400kL per annum over time. It is evident that the SEQ median charge has increased at a level greater than the non-SEQ median charge, to the extent that the gap between the SEQ and non-SEQ median charges has increased from \$195 in 2007/08 to \$729 in 2013/14.

**Median Residential Water Bill over Time for a Property Consuming 400kL, 2007/08-2013/14**



Source: AECgroup



## 4. Wastewater Pricing Levels

The following table provides information on the prices charged for a wastewater (or sewerage) service in 2013/14 by selected large service providers in Queensland on a normal residential property.

**Wastewater Price Benchmarking for Large Service Providers in Queensland, 2013/14**

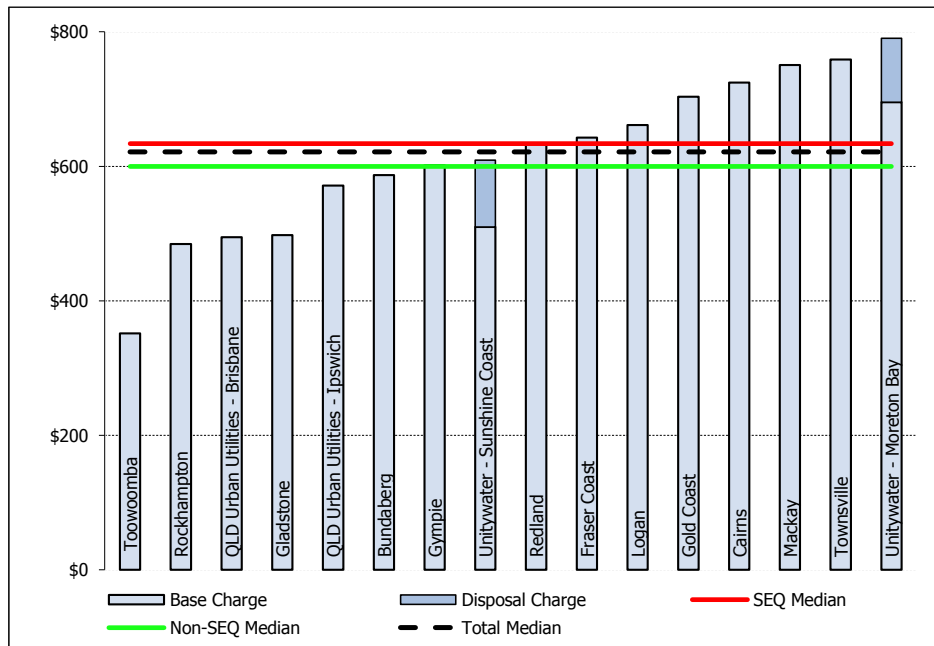
Council/Service Provider & Location	Wastewater Charge	Discount	Comments
<b>QLD Urban Utilities</b>			
Brisbane Region	\$494.52	0%	* In the Brisbane region, a "Reduced Access" sewerage charge of \$184.08 is levied on properties if they are an allotment which is a paved road used to access a number of adjoining properties and is exclusively for vehicle and pedestrian access, or a lot on a community titles scheme and used for a car parking space, storage cupboard, storage unit, advertising hoarding or purposed of a like nature * In the Lockyer Valley region, additional pedestal charges apply to residential premises at \$330.48 per pedestal and vacant land charges are generally set at \$240.00 per annum * In the Somerset region, vacant land charges are \$365.52 in the Kilcoy service area and \$285.96 in all other service areas
Ipswich Region	\$571.44	0%	
Scenic Rim Region	\$519.48	0%	
Lockyer Valley Region	\$437.28	0%	
Somerset Region – Lowood, Fernvale, Esk, Toogoolawah	\$519.48	0%	
Somerset Region – Kilcoy	\$413.88	0%	
<b>Unitywater</b>			
Moreton Bay Region	\$695.24 + 0-270kL = \$0.644/kL	0%	* Sewage discharges are determined by applying a discharge factor of 90% to measured water consumption, and are capped at 270KL per residence * In the Caloundra area, properties connected to a common effluent disposal scheme are levied a charge of \$468.44 * In the Noosa area (Cooroy, Lake MacDonald and Lake Cootharaba), properties connected to septic effluent schemes are levied a charge of \$495.10 per pedestal
Sunshine Coast Region	\$509.84 + 0-270kL = \$0.644/kL	0%	
<b>Bundaberg</b>	\$587.00	0%	
<b>Cairns</b>	\$724.72	0%	* Vacant Allotments are levied a reduced charge of \$576.98 * Standard commercial charges per pedestal are applied for connections servicing common property (e.g. toilet servicing swimming pool area or foyer)
<b>Fraser Coast</b>	\$695.00	7.5%	
<b>Gladstone</b>			<ul style="list-style-type: none"> <li>Discount reduces to 5% if paid within 31-60 days</li> </ul>
Gladstone	\$553.00	10%	
Boyne Island, Tannum Sands, Calliope	\$678.00	10%	
Agnes Water/1770	\$874.00	10%	
<b>Gold Coast</b>	\$703.34	0%	
<b>Gympie</b>	\$633.60	5%	
<b>Logan</b>	\$661.60	0%	* Properties connected to a Common Effluent Disposal scheme are levied a charge of \$529.28
<b>Mackay</b>	\$834.10	10%	* Properties connected to the North Eton Biocycle system are levied a charge of \$709.90
<b>Redland</b>	\$633.75	0%	* Developed residential and vacant residential properties are charged for 25 sewer units with the unit charge being \$25.35
<b>Rockhampton</b>			* Vacant land within each district is levied a reduced charge as follows: Rockhampton \$511.60 Capricorn Coast \$571.80 Gracemere \$668.60 Mount Morgan \$617.30
Rockhampton	\$538.50	10%	
Capricorn Coast	\$601.90	10%	
Gracemere	\$703.80	10%	
Mount Morgan	\$649.80	10%	
<b>Toowoomba</b>	\$390.60	10%	* Additional charges are levied on properties with greater than four pedestals at a rate of \$195.30 per additional pedestal * Residential properties connected to a common effluent drainage sewerage system are levied a charge of \$195.30, plus \$97.64 for each pedestal in excess of four * Vacant land is levied a reduced charge of \$195.30, or \$97.64 if located in an area serviced by a common effluent drainage sewerage system
<b>Townsville</b>	\$759.00	0%	* Vacant land is levied a reduced charge of \$683.00

Source: AECgroup, assorted service providers

## 5. Comparison of Wastewater Charges

The graph below compares an annual residential wastewater bill (net of any relevant discount), selecting the main area/s of supply within each region. The median charge of \$621.44 is 8.2% higher than the prior year median of \$574.40. The SEQ median charge of \$633.75 (up 9.6% on the prior year median) is 5% higher than the non-SEQ median charge of \$601.92 (up 7.9% on the prior year median).

**Average Residential Wastewater Bill, 2013/14**

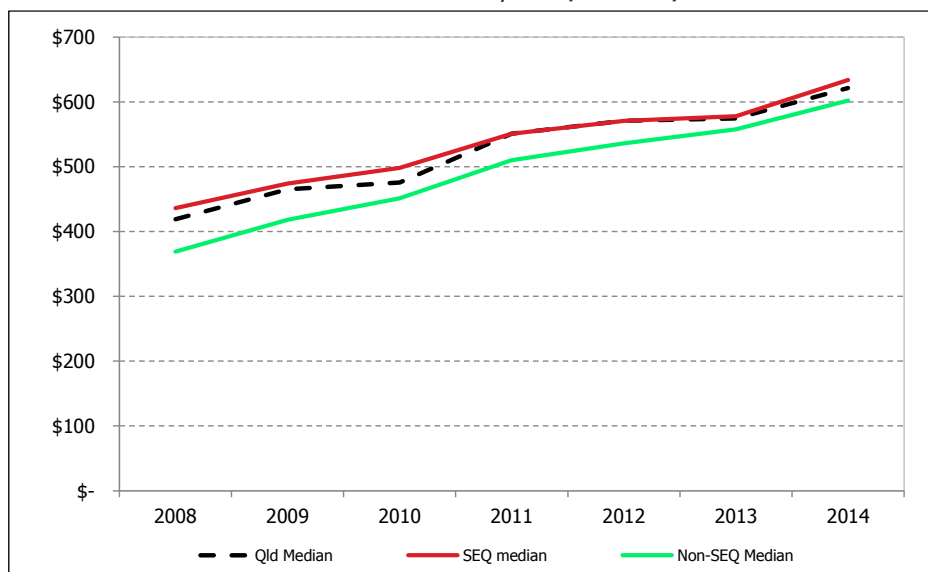


Notes: \* Average residential discharge levels of 147.79kL and 154.16kL are assumed for Moreton Bay and Sunshine Coast, respectively, based on the daily per capita consumption for the most recent 52-week period of SEQWater published data.

Source: AECgroup

The following graph provides a summary of SEQ and non-SEQ median wastewater charges for a residential property over time. It is evident that annual increases in non-SEQ median charges have generally been greater than those in SEQ, resulting in a reduction in the gap from \$67 in 2007/08 to \$32 in 2013/14. However, there was a significant uptick in the SEQ median charge in 2013/14.

**Median Residential Wastewater Bill over Time, 2007/08-2013/14**



Source: AECgroup

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