

18th March 2013

Regulatory Policy
Department of Treasury and Finance



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Dear Sir/Madam,

**Re: Comments on 'Access to Water and Sewerage Infrastructure -
February 2013.**

Please find below Alano Water's submission regarding the above consultation document. Although this submission is late, we hope that you will see fit to include it's content in your deliberations.

1. Alano Water supports the establishment of a state based legislative access regime. This is needed to ensure that there is balance in negotiations between organisations of potentially vastly different sizes and resources.
2. Alano Water supports the exemption status for specific water and sewerage infrastructure as presented in Table 2 on page 17 of the consultation document.
3. Ancillary services such as water storages and treatment plants should be included within the scope of a state based legislative access regime. Criteria should include technical (public health and environment), legal and financial risks to the asset owner/holder.
4. Escosa should administer the state based access regime.
5. Alano Water would prefer to see a light handed regime implemented as per the Railways (Operations and Access) Act (1997).
6. Page 19, dot point 4. Alano Water considers that 30 days as a time period for an access seeker to receive a brochure on the subject matter is too long. Could this not be accomplished in say 14 days or less?
7. Page 19, dot point 8 should read 'Receive, consider and formally respond to an access proposal within a specified timeframe'

8. Page 24, 5th Paragraph (bottom of page) - Alano Water supports the intent expressed in these two dot points and in the paragraph below on Page 25 points (i) to (iv) inclusive. There is a need for the infrastructure owner to very clearly set out the basis on which it has calculated the cost of access to its infrastructure.

Experience shows that large organisations can have convoluted and regularly shifting bases for establishing the cost of running their business, which in turn will impact of the access charge being sought from the access seeker. With respect to point (i) on page 25, Government organisations generate 'expected revenue' and a 'return on investment' that can be strongly influenced by the political climate and the extent to which the government of the day requires cash flow. In some cases, basing access charges on these demands may not reflect the reasonable and true market cost of access for the access seeker. Alano Water feels that at times, ESCOSA may need to seek examples of access pricing in the water industry that have been struck in other states in order to gain an understanding of what a fair access charge will be.

We thank you for considering the content of our submission and should you have any queries regarding its content, please contact Mr. Chris Brown, our Environmental Specialist on 0423 950 997.

Yours sincerely,



For

CA Catalano
Senior Engineer.