



Introducing more cost reflective trade waste pricing

Submission to the Essential
Services Commission

March 2020

Statement of Determination compliance

Coliban Water is pleased to submit its revised trade waste classification and pricing structure to the Commission for consideration. New charges and customer classifications are proposed to apply from 1 July 2020. This application to the Commission is in accordance with *Coliban Water's 2018 Final Determination* (2018).

- a. The net revenue impact from this review is neutral or negative with the revised tariff schedule not exceeding the weighted average price movement that would have applied without this review;
- b. This application is made at least 80 business days prior to the revised tariff schedule taking effect (1 July 2020);
- c. The revised tariff strategy is consistent with the tariff strategy for Coliban Water approved by the Commission;
- d. The revised tariff schedule specifies proposed prices for 2020-21 and prescribed price movements for each subsequent regulatory year of the current 2018-2023 regulatory period;
- e. Coliban Water has provided information to impacted customers explaining the revised tariff schedule and how it relates to the relevant tariff strategy;
- f. A statement is included herein on customer impacts from the revised tariff schedule, as well as actions proposed to address these impacts; and
- g. An explanation is provided of the calculation of the relevant quantities Q_{t-2} for the revised tariff schedule.

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1 Background

1.1 Historical classification of trade waste

Coliban Water's 2018 regulatory pricing submission to the Commission ("Pricing Submission", submitted September 2017) flagged the need for additional customer engagement and analysis to finalise trade waste classification and tariff structures within the regulatory period. Following a comprehensive engagement plan targeting impacted customers and discussion with ESC staff, Coliban Water now proposes the implementation of new tariffs from 1 July 2020.

Coliban Water currently categorises trade waste customers based on annual volume of waste discharged. A trade waste customer exceeding 5,000 kL annual discharge is classified as a Major Trade Waste customer, and a customer below this threshold is a Minor Trade Waste customer. We work more closely with Major Trade Waste customers, including assignment of a case manager, because of their size and higher impact on sewer network and treatment assets.

Over time, this method of categorisation has disconnected the risk and costs to Coliban Water's network and treatment assets from the charge applied to customers for trade waste discharge. Instances have arisen where some customers discharging more than 5,000 kL per annum were classified as Minor Trade Waste due to their sewage assessed as low risk.

Deep, targeted ongoing engagement with our trade waste customers has resulted in enhanced relationships and opportunities for customers to provide feedback. This has included ongoing dialogue with several large Trade Waste customers that have queried the basis for their classification, noting that despite high sewage discharge their waste was of similar quality to households. Based on this feedback, Coliban Water began a major review of its trade waste classification procedures in 2016-17. We engaged a trade waste expert and, based on their advice as well as a review of operations, propose to introduce a new risk-based approach to classifying trade waste customers.

1.2 Proposed classification of Trade Waste

This new approach includes a Medium Trade Waste category for the small cohort of customers that need additional support and oversight based on the quantity and/or quality of their waste discharge, but do not warrant being deemed Major Trade Waste. The addition of this new category also allows the development of more cost reflective charges and support processes to minimise cross-subsidies. The proposed new risk-based classification is outlined in Table 1.

Table 1. Proposed risk-based trade waste classification system (2018 Price Submission)

Waste Content		Waste Volume		Score	Trade Waste Category	
3	High Risk	x	2	High Volume (>5,000kL)	6	Major
2	Medium Risk		1	Low Volume (<5,000kL)	3-4	Medium
1	Low Risk				1-2	Minor

Note that a customer with Low risk and a volume over 15,000kL will be deemed a Medium customer.

1.3 Tariff strategy

Coliban Water articulated its overarching tariff strategy in its 2018 Pricing Submission. Tariff structures and approaches proposed in the pricing submission were accepted by the Commission with release of the Coliban Water Determination in June 2018.

We note that this current review into adopting more cost reflective trade waste tariffs and classification has been conducted with the intention to retain the existing tariff strategy. We further note that the intention to undertake this review and move to more cost reflective tariffs was clearly articulated in the 2018 Pricing Submission.

2 Customer engagement

Figure 1 summarises Coliban Water's engagement with trade waste customers for the reclassification process. Further information on any engagement activity can be made available to the Commission on request.

Figure 1. Trade waste engagement activities (by category)

Phase 1 2016 - 2017	Phase 2 2018 - 2019	Phase 3 Dec 2019 - Jan 2020	Ongoing Business as Usual
Online survey PS18 Draft Annual tariff updates	Letter Annual tariff updates	Letter Draft proposal (website)	Regular contact with the Trade Waste and Commercial Operations teams
Face to face interviews PS18 Draft Annual tariff updates	Letter Site visits and sampling Annual tariff updates	Letter Direct engagement (pH non-compliant) Annual tariff updates	Ongoing opportunities to provide ad hoc feedback to Coliban Water

2.1 Minor Trade Waste

2.1.1 Business as usual engagement

The trade waste team engages with Minor Trade Waste customers as part of regular operations. This approach provides opportunities for these customers to provide direct feedback. This feedback has underpinned this review process. Customers may also at any time provide feedback via the trade waste team, Coliban Water's contact centre or various social media channels.

A dedicated Trade Waste Officer manages the relationship with all Minor Trade Waste customers, including assisting with any queries, conducting site visits and following up where non-compliance is detected. Throughout the reclassification process, the Trade Waste Officer has liaised with Minor Trade Waste customers that are non-compliant with their Trade Waste Agreements. The Trade Waste Officer supports them to achieve compliance.

2.1.2 Phase 1 engagement: 2016-2017

Coliban Water surveyed Minor Trade Waste customers between February and March 2017 by post and email. We received over 100 completed responses. Respondents overwhelmingly supported a risk-based pricing approach to trade waste management, with support for higher charges for customers whose waste presents higher costs and risk. More than 60% of respondents favoured using a combination of factors (quality of discharge, volume, industry type) rather than any single factor to classify trade waste customers (Figure 2).

Figure 2. Summary of Minor Trade Waste Survey (2017)



2.1.3 Phase 2 engagement: 2018-2019

Based on survey responses, direct feedback received and an assessment of costs of providing trade waste services, we wrote to all Minor Trade Waste customers in mid-2019 seeking feedback on proposed changes. Customers that responded told us they were concerned with potential financial impacts from the change to the Minor Trade Waste fee, but were otherwise satisfied with the proposed non-compliance charges. This engagement step has proved crucial in developing our final submission, with the feedback received from customers leading to phasing the introduction of the new Minor Trade Waste fee over three years rather than introducing in one year.

2.1.4 Phase 3 engagement: 2019-20

Another letter was also sent to all Minor Trade Waste customers, principally via email (as per customer preferences) or via a physical letter where no email address or undeliverable. This letter noted the proposed changes and offered a final opportunity for customers to provide feedback to this process, with engagement open 12 December 2019 to 24 January 2020.

No trade waste customers provided feedback to Coliban Water throughout this period. We consider the method of communication, as well as the length of time allowed for feedback, to be appropriate.

2.2 Medium Trade Waste

2.2.1 Business as usual engagement

We continue to engage with Medium Trade Waste customers as part of existing Minor and Major Trade Waste ongoing engagement (as presently no customers are categorised as Medium).

2.2.2 Phase 1 engagement: 2016-2017

Coliban Water identified a cohort of approximately 20 customers that, based on the volume and risk profile of their sewage, were proposed to move to the new Medium Trade Waste category. In most instances, customers proposed to move from the Major Trade Waste category were already in communication with Coliban Water regarding their classification.

Proposed Medium Trade Waste customers were engaged through the Pricing Submission process as part of the Minor and Major Trade Waste cohorts.

2.2.3 Phase 2 engagement: 2018-2019

For existing Minor Trade Waste customers that are proposed to move **up** to Medium, we conducted sites visits and discharge sampling (at Coliban Water's expense) throughout 2019 at each location to validate the reclassification. The results of the site visits and monitoring program were used to confirm the risk-based classification model. Based on this assessment, several customers that were proposed to move up to Medium will actually remain in the Minor Trade Waste category.

Existing Major Trade Waste customers proposed to move **down** to Medium or Minor were not specifically engaged as Coliban Water understood the characteristics of their discharge from sampling data. These customers will be unequivocally financially better off under the new classification.

Feedback to Coliban Water throughout this process was largely positive, with customers understanding the rationale behind their reclassification and the new tariff structures.

2.2.4 Phase 3 engagement: 2019-20

Based on engagement and feedback received, Coliban Water finalised its draft schedule of trade waste charges in late 2019. A letter was sent to all Medium Trade Waste customers noting the proposed changes and offering a final opportunity to provide feedback to this process. As per the Minor Trade Waste cohort, no customers provided feedback to Coliban Water throughout this period. We consider the method of communication with customers, as well as the length of time allowed for feedback and direct engagement with the Medium cohort throughout 2019, to have been appropriate.

2.3 Major Trade Waste

2.3.1 Business as usual engagement

The Commercial Operations team regularly engages with large commercial customers, including Major Trade Waste customers. Due to their size and nature, individual customers have a dedicated case manager and the opportunity for regular contact commensurate to their needs. This communication will typically encompass all water and sewer services offered and provides an avenue for Coliban Water to hear *ad hoc* feedback on any matters of concern. Major Trade Waste Agreements (TWAs) are negotiated every five years.

2.3.2 Phase 1 engagement: 2016-2017

Coliban Water provided the opportunity for individual interviews with all Major Trade Waste customers in early 2017 as part of pricing submission engagement. These interviews confirmed Major Trade Waste customers support the concept of user pays. They would welcome additional information and support from Coliban Water to reduce costs (for example, through water efficiency initiatives). Several customers again took this opportunity to query the basis for their trade waste charges.

In response to this feedback, Coliban Water developed key initiatives underpinning the Pricing Submission performance measures, including annual targets for major customer water efficiency audits. We also committed to providing customers with improved communication channels, and additional information and clearer bills. This has been incorporated into the requirements for our billing system upgrade that will be delivered in 2020.

2.3.3 Phase 2 engagement: 2018-2019

Following consideration of feedback, Coliban Water in 2018 wrote to all Major Trade Waste customers advising them of the proposed changes that may affect them. For a number of these customers, this was a reduction in classification to Minor or Medium Trade Waste, with seven (of the existing 18) Major Trade Waste customers proposed to move from this category after 1 July 2020. These seven customers will see significant reductions in their charges following reclassification.

We wrote to the remaining 11 customers advising them of the proposed introduction of the pH non-compliance charge. This engagement included direct contact with several Major Trade Waste customers that are currently non-compliant with their Trade Waste Agreements due to very high or low pH waste discharge to explain the likely financial impact of the new charge. The Coliban Water case manager that supports these customers continues to provide support to become compliant, including technical advice on pre-treatment and negotiation of a pathway for achieving compliance.

2.3.4 Phase 3 engagement: 2019-20

Coliban Water continues to engage with the Major Trade Waste customers that are likely to face pH non-compliance charges based on their historical discharge.

Coliban Water notes that it has engaged with several Major Trade Waste customers over a number of years to resolve the discharge of pH non-compliant waste. Several Major Trade Waste customers have already invested in solutions to become compliant. Two customers continue to discharge waste that is pH non-compliant (i.e. outside the 6.0 – 10.0 pH range). As per the agreed TWAs, we are proposing a pH non-compliance charge instead of disconnecting their trade waste services.

3 Final recommendations

3.1 Principles for reclassification

The following principles governing the reclassification are based on our pricing submission, and tested through consideration of feedback provided by trade waste customers:

1. Customers that present higher costs and/or risk to Coliban Water's network and treatment assets should pay more (**cost reflective pricing**)
2. Proposed changes will consider the financial impacts on customers, and provide additional support where appropriate (**financial impacts**)
3. Customers want better support and information from Coliban Water, including information about their water usage and how they can reduce costs (**better information**)

Figure 3. Feedback themes and proposed responses

	Minor	Medium	Major
Cost reflective pricing	Revised TW fee	New TW fee	
Cost reflective pricing	Risk-based trade waste classification system <i>waste risk * volume</i>		
Cost reflective pricing	Non-compliance charges		pH non-compliance charge
Cost reflective pricing		Periodic sampling (as per TWA)	
Financial impacts	Transition to revised TW fee over 3 years	<1 ML retain 230 kL free discharge	
Financial impacts	Financial assistance via Coliban Assist Program (eligible non-res.)		
Better information		Large customer water audits	
Better information	Improved information, including usage, online access, etc		

3.2 Non-compliance charges

A number of new non-compliance charges are proposed. The majority will apply to Minor and Medium Trade Waste customers where they are non-compliant, and a single non-compliance charge (waste pH) is proposed for Major Trade Waste customers.

3.2.1 Contravention fee (failure to clean or repair)

Applies where a customer has failed to sufficiently clean or repair assets including any pre-treatment devices (e.g. grease trap) where this contravenes the Trade Waste Agreement or follows direction from the Trade Waste Officer.

3.2.2 Asset protection fee (no pre-treatment)

Applies where a pre-treatment device is required but has not been installed. Customers will have 12 months to install the device prior to facing this charge.

3.2.3 Unlawful discharge fee

Applies where the customer does not have an approved Trade Waste Agreement.

3.2.4 Agreed no asset fee

Applies where the customer and Coliban Water agree a pre-treatment device would be needed but the requirement to install has been waived.

3.2.5 pH contravention charge

Applies where the average pH of waste is outside of the 6.0 – 10.0 pH band specified in Trade Waste Agreements. The level of this charge is weighted to apply more heavily to highly acidic waste.

3.3 New tariffs

3.3.1 Minor Trade Waste

The Minor Trade Waste fee will increase. Based on feedback from customers on negative financial impacts, the revised fee will be phased in over three years to 2022-23. The proposed charge for 2020-21 is \$177.00, a 13.6% increase from 2019-20. Noting that the Minor Trade Waste fee is only paid in conjunction with the Sewer Access fee and the Water Access fee, the net impact on fixed charges will still be less inflation in 2020-21.

In line with the principle of cost reflective pricing, the proposed revised fee to be phased in by 2022-23 is reflective of the cost to Coliban Water of providing trade waste services. This principle also holds for proposed non-compliance charges, where charges were developed on a cost-recovery basis to reflect the costs and/or increased risk to Coliban Water assets from non-compliant behaviour.

In addition, we are also proposing to introduce enhanced reporting and information provision with the introduction of digital metering and the new customer management system. Existing and proposed Minor Trade Waste fees and charges are shown in Table 2.

Table 2. Proposed Minor Trade Waste fees and charges 2020-21

Minor Trade Waste \$ 2019-20	2019-20	2020-21
Minor Trade Waste fee ¹ per annum	155.78	177.00
Contravention fee (failure to clean or repair) per incident	n/a	580.00
Asset protection fee (no pre-treatment) per annum	n/a	880.00
Unlawful discharge fee per incident	n/a	280.00
Agreed no asset fee per annum	n/a	120.00

3.3.2 Medium Trade Waste

The proposed Medium Trade Waste fee is \$306.28 per annum. This fee was developed through consideration of the costs of servicing and supporting these customers, including additional costs and risk to network and treatment assets.

To reflect the greater risks and costs these customers pose to Coliban Water's network and treatment assets, Medium Trade Waste customers with high discharge (above 1,000kL per annum) will no longer receive the annual 230kL discharge allowance. To minimise excessive bill shock, Medium Trade Waste customers with low discharge (below 1,000kL pa) will remain eligible for the discharge

allowance. Based on historical discharge volumes, three Medium Trade Waste customers will fall into the low discharge category.

Non-compliance charges proposed to apply to customers in this category are the same as charges proposed for Minor Trade Waste customers.

Coliban Water will amend Medium Trade Waste customers' TWAs to include requirements for periodic sampling. A third party undertakes all sampling, so charges will be a direct cost pass through. Customers have been advised individually their sampling regime from 1 July 2020.

Table 3. Proposed Medium Trade Waste fees and charges 2020-21

Medium Trade Waste (< 1 ML discharge) \$ 2019-20	2019-20	2020-21	
		< 1 ML	> 1 ML
Medium Trade Waste fee per annum	n/a	306.28	306.28
Contravention fee (failure to clean or repair) per incident	n/a	580.00	580.00
Asset protection fee (no pre-treatment) per annum	n/a	880.00	880.00
Unlawful discharge fee per incident	n/a	280.00	280.00
Agreed no asset fee per annum	n/a	120.00	120.00
Sampling [#] per incident	n/a	at cost	at cost
Discharge allowance per annum free discharge (kL)	230	230	0

[#] Condition of Trade Waste Agreement

3.3.3 Major Trade Waste

Coliban Water is proposing to reduce the Major trade waste volume charge by 1.65% in 2020-21 to ensure it is fully aligned with the sewer volume charge from 2020-21. We are proposing a pH non-compliance charge where a Major Trade Waste customer's discharge is outside the acceptable range 6.0 - 10.0. Low pH (acidic) waste will attract a much higher fee than high pH (alkaline) waste due to its corrosive nature and potentially deleterious impact on network and treatment assets, and a higher volumetric charge applies for excessively acidic or alkaline waste.

Table 4. Proposed Major Trade Waste pH non-compliance charge 2020-21

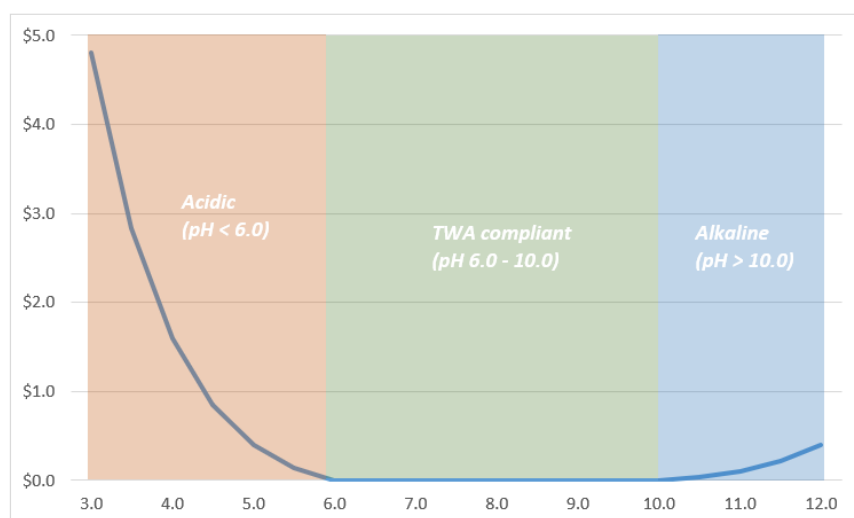
Major Trade Waste \$ 2019-20	2019-20	2020-21
pH contravention charge per kL discharge		
pH < 6.0	n/a	*
pH > 10.0	n/a	**

* $0.2 * (6.0 - pH(sample)) * 2^{(6.0 - pH(sample))}$

** $0.05 * (pH(sample) - 10.0) * 2^{(pH(sample) - 10.0)}$

The majority of Major Trade Waste customers are fully compliant with pH requirements in their TWAs. Two customers remain non-compliant and would face non-compliance charges based on their historical discharge. We will continue to work with both customers to support to full compliance.

Figure 4. pH Non-compliance charge (\$ per kL), pH 3.0 – 12.0



3.4 Customer bill impacts

3.4.1 Minor Trade Waste

The Minor Trade Waste fee in 2020-21 will increase by \$21.22 compared to 2018-19.

Table 5 shows the net bill impacts for Minor trade waste customers (small, medium and large water users) in 2020-21. Applying the expected Cost of Debt adjustment (-1.15% based on modelling) to the prices specified in the Determination, Minor trade waste customers will see a real decrease to their total bill. According with our billing rules, a customer cannot be minor trade waste without water and sewer access. Consideration of overall customer bill impacts must include changes to all charges.

Table 5. Real annual bill impact, Minor Trade Waste customers, 2020-21

Total revenue impact 2020-21 (incl. Cost of Debt adjustment)	Average water usage					
	50 kL		150 kL		500 kL	
\$ 2019-20	2019-20	2020-21	2019-20	2020-21	2019-20	2020-21
Minor Trade Waste	\$155.78	\$177.00	\$155.78	\$177.00	\$155.78	\$177.00
Sewer Access	\$683.56	\$667.59	\$683.56	\$667.59	\$683.56	\$667.59
Sewer Volume	\$0.00	\$0.00	\$0.00	\$0.00	\$238.70	\$235.84
Water Access	\$227.47	\$222.16	\$227.47	\$222.16	\$227.47	\$222.16
Water Volume	\$112.26	\$109.64	\$336.78	\$328.91	\$1,122.60	\$1,096.37
Total annual bill	\$1,179.07	\$1,176.38	\$1,403.59	\$1,395.66	\$2,428.11	\$2,398.96
% change		-0.23%		-0.57%		-1.20%

Furthermore, the two Major Trade Waste customers moving to this category will see significant reductions in their total charges, (-54.8% and -14.2%).

Where a Minor Trade Waste customer is facing non-compliance charges, we will continue to work with them to support transitioning to full compliance.

3.4.2 Medium Trade Waste

Medium Trade Waste customers will face non-compliance charges and potentially three separate new charges in 2020-21:

- a. Medium Trade Waste fee
- b. Additional volumetric sewer discharge (losing 230 kL discharge allowance)
- c. Waste sampling (in accordance with individual Trade Waste Agreements)

Most customers in the Medium Trade Waste category will see a smaller than 2.5% annual change in their trade waste and sewerage charge. All five customers moving **down** from the Major Trade Waste category will see a significant decrease in their annual trade waste and sewerage charges, falling between 26% and 54% (-\$1,000 to -\$59,000).

Customers in the > 1ML category moving **up** from Minor Trade Waste will see an annual increase of \$364, equivalent to a 0.9% to 18.9% increase in annual trade waste and sewerage charges. The majority will be below 2.5%.

Three customers in the < 1 ML Medium Trade Waste category will see a \$142 annual increase in trade waste and sewerage charges. To recognise their very low annual discharge, these customers will continue to receive the 230 kL annual sewer discharge allowance. Despite this, the proposed charges represent a 13.7% to 17% annual increase over a very small cost base. These customers include two in petroleum manufacturing and a third in metal coating, with all deemed high risk to network and treatment assets due to the quality of their discharge despite limited discharge volume. The proposed charges are reflective of the higher costs these customers present.

Medium Trade Waste customers will also face additional charges for waste sampling. The frequency of sampling has been determined individually based on an assessment of potential risk and will be included in Trade Waste Agreements. Sampling is undertaken by a third party and will be charged to the customer at cost. While some Major Trade Waste customers are subject to daily sampling, all medium customers will only be subject to infrequent periodic sampling either monthly, quarterly, annually or ad hoc.

Coliban Water does not believe these changes will result in financial hardship. However, we have a range of support packages available to residential and non-residential customers experiencing financial hardship.

Where a customer is facing non-compliance charges, we will work with them to support them transitioning to full compliance as the purpose of non-compliance charges is to incentivise compliant behaviour rather than to raise revenue.

3.4.3 Major Trade Waste

Reclassification of six current Major Trade Waste customers to the Minor and Medium Trade Waste categories will result in significant reductions to their annual trade waste and sewerage charges (reducing between \$700 and \$58,000). This improves cost reflectivity as customers being reclassified downwards present little risk to our networks or treatment plants.

Coliban Water notes two Major Trade Waste customers are currently non-compliant with their TWAs with regard to waste pH and may face non-compliance charges. We continue to work with both customers to help them transition to compliant discharge before the introduction of the new charge from 1 July 2020.

3.5 Net revenue impacts

Table 6 below summarises the net revenue impacts 2020-21 to 2022-23 by trade waste category. The net impact on trade waste revenue from reclassification and tariff changes is negligible in 2022-23, however Coliban Water will see a -\$108,000 net impact on revenue during the transition period 2020-21 and 2021-22.

Table 6. Net revenue impact from tariff changes & reclassification, 2020-21 to 2022-23

Revenue change by category \$ 2019-20	2020-21	2021-22	2022-23
Minor Trade Waste	-\$170,975	-\$134,252	-\$97,203
Medium Trade Waste	\$294,765	\$291,213	\$287,722
Major Trade Waste	-\$195,393	-\$193,110	-\$190,735
Net Revenue (±)	-\$71,603	-\$36,149	-\$216

Net revenue from non-compliance charges is assumed to be zero as we would prefer compliant behaviour rather than charging for non-compliant behaviour. Similarly, sampling charges for Medium Trade Waste customers will be charged at cost so zero net revenue change (third party service).

3.5.1 Minor trade waste

Net revenue from Minor trade waste customers will fall \$171,000 in 2020-21, down to \$97,000 in 2022-23. This comprises increased revenue from the Minor trade waste fee and decreases to revenue from sewer access and sewer volume charges, with some of the largest Minor trade waste customers moving to the new Medium trade waste category.

3.5.2 Medium trade waste

The new Medium Trade Waste fee will generate \$6,000 revenue each year. In addition, a handful of >1ML customers will lose their 230kL sewer discharge allowance.

Overall, the new charges plus customers with high sewer volumes moving to the Medium category from the Minor and Major categories will see Medium trade waste revenue of around \$295,000 in 2020-21.

3.5.3 Major trade waste

Six customers will be reclassified, with four moving to Medium and two to Minor category. Revenue from Major trade waste access fees will fall 107,000 in 2020-21.

In addition, the combination of reclassification and full alignment between the sewer and Major trade waste volume charges will reduce revenue by \$88,000.

3.6 Calculating baseline quantities (Q_{t-2})

In calculating the baseline quantities we have used 2018-19 actuals where available, as required by the Determination. These are shown as the " Q_{t-2} " figures in the Financial Model for 2020-21 (year 1 of the proposed changes). Baseline quantities are as per audited figures from the 2018-19 regulatory audit, where available.

Baseline Major Trade Waste Access Fees are as per the 2018 Determination. We note these are Schedule 2 tariffs calculated in accordance with pricing principles. Given this, the quantity is shown as 'one', while the tariff is the sum of individual Major trade waste access fees in each year. This is consistent with the financial model that underpinned the Determination.

We have assumed a 0.5% annual growth rate for the number of and sewer volume discharged by Minor Trade Waste customers, and zero growth for major and medium customers.

For all proposed non-compliance charges, the net revenue impact is assumed to be zero with assumed quantities for each also zero.

3.7 2020-21 tariffs and annual price adjustments

Table 7 shows the proposed new and amended trade waste charges for 2020-21, along with prescribed price movements (PPM) for years 2021-22 and 2022-23. Tariffs for 2021-22 include the -1.2% PPM as per the Coliban Water Determination.

All charges will also have a CPI adjustment each year and a cost of debt adjustment when required by the Determination.

Table 7. 2020-21 trade waste tariffs (and annual PPM 2021-22 – 2022-23)

Tariff and Price Component	Price (1 July 2020)	PPM 2021-22	PPM 2022-23
Major Trade Waste Charges			
Access Fee (<i>per annum</i>)	<i>In accordance with pricing principles</i>		
Medium Trade Waste Charges			
Medium Trade Waste (<i>per annum</i>)	306.28	-1.20%	-1.20%
Minor Trade Waste Charges			
Minor Trade Waste (<i>per annum</i>)	177.00	13.62%	12.00%
Non-Compliance Charges			
pH (Major Trade Waste only)			
Low pH < 6.0 (<i>per kL discharge</i>)	<i>As per formula</i>	0.00%	0.00%
High pH > 10.0 (<i>per kL discharge</i>)	<i>As per formula</i>	0.00%	0.00%
Contravention fee (failure to clean or repair) (<i>per incident</i>)	580.00	0.00%	0.00%
Asset protection fee (no pre-treatment) (<i>per annum</i>)	880.00	0.00%	0.00%
Unlawful discharge fee (<i>per incident</i>)	280.00	0.00%	0.00%
Agreed no asset fee (<i>per annum</i>)	120.00	0.00%	0.00%