

Chris De Podolinsky
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27th November 2012

**The Essential Services Commission (ESC)
Submission Relating to small property Water & Sewerage Services Charges
“AMENDED VERSION”**

Dear ESC,

After a telephone conversation today with one of your staff members (Aesap) I submit this submission relating to very high Water & Sewerage Services Charges of \$631.70 per annum that have recently been charged to the above property by City West Water.

This property is a very small serviced office suite of only 34 square metres that I lease out to a tenant. It is only occupied by my tenant and his assistant (2 people) during business hours. It is not directly connected to Water or Sewerage and the only physical connections of both services are to the common areas of the building managed by the owners-corporation. There are approximately 134 similar suites in the building (many slightly larger, but still small) with the occupants also using water and sewerage in the building's common areas. The general daily usage of water and sewerage by my tenants only amounts to several glasses of water and several toilet flushes as they do not reside at the property.

As such the annual fee of \$631.70 recently imposed is extremely excessive and not affordable by small business. I do not believe that it is fair and equitable in sharing the costs of providing the services across the general community. The water rates for this property have now become more than 60% higher than the City of Melbourne Council rates something that I have never heard of before.

I believe that any avenue allowing any properties to be "Deemed to be Connected" as is currently being done within subdivided properties with an owners' corporation should be removed immediately.

Deemed Connections are **not real** and allow small properties not directly connected to Water or Sewerage to be hit with excessive charges not in anyway related to the properties usage. **Properties are either connected to water** via an individual property water meter or via an owners' corporation meter for subdivided properties where the amount of water used can be measured by the meter and the property charges calculated in accordance with the amount of water measured **or they are not connected at all.**

Properties that are not connected should not be charged at all. Deemed Connections only lead to a very grey area where properties are currently being hit with unfair, unjust and excessively high water and sewerage service charges not in anyway related to their size or usage which is totally unacceptable by the community.

I suggest that for buildings like this that have many small serviced suites not directly connected the Water and Sewerage, the Service Charges should be billed directly to the Owners Corporations in a fair and equitable manner across the

community directly related to the amount of water passing through the properties water meter. The Owners Corporation can then pass the costs onto the individual suite owners via the owners-corporation fees similar to the other costs associated with running the building.

There should not be any minimum fees not directly related to property size or water usage which are currently creating these very expensive and non-equitable charges for small property holders.

The service charges need to be apportioned fairly so that all sectors of the community pay a fair and reasonable amount for all services provided.

Yours Sincerely

Chris De Podolinsky