



What is Two Part Pricing

People keep talking about Two Part Pricing, what exactly does it mean?

Simply Two Part Pricing is a term used to describe a tariff that is made up of two different charges.

What charges make up the Two Part Pricing?

1. Service Charge
2. Volume charge

What is a Service Charge?

The Water Service Charge is the cost to operate, maintain, repair and replace the infrastructure used to deliver water from the dam or river to your tap.

The Sewerage Charge is the cost to operate, maintain, repair and replace the infrastructure used to remove waste from your house and, once treated, return it back into the environment.

What is a Volume Charge?

A volume charge is a fee based on the consumption of water. Essentially what that means is the user will be charged for all consumption so, those people who use less water will pay less and those people who use excessive water will pay more.

Will the Service Charge be the same for everyone?

It is yet to be determined whether the Service Charge will be consistent across the whole North West Region or whether regional zones will apply. For example the larger communities of Devonport, Burnie, Ulverstone and Smithton may be considered one regional zone and have one consistent Service Charge across that zone.

When will Two Part Pricing take effect?

Given the complexities of developing a new Two Part Pricing Structure it could take three years before the new structure is introduced. Much analysis and community consultation needs to be completed in order to ensure the new pricing structure is fair across the North West region.

For further information and advice please contact Cradle Mountain Water via:

13MYWATER (13 6992)

www.cmwater.com.au

enquiries@cmwater.com.au

