From: Grace Ockwell

To:
Cc: Laura McElhone

Subject: LGOIMA request 10 December 2014

Date: Wednesday, 28 January 2015 03:43:26 p.m.

Happy New Year Bert,

I refer to your email of 10 December 2014 requesting information. Your request has been considered under the provisions of LGOIMA and the following response is provided.

I have repeated your questions and used your numbering to give context to our response.

Question 1: Could I please request copies of DCC's return of data to Water NZ for both years, i.e. to Mar 2013 to check they have reported it correctly in comparisons, and to Mar 2014 to see recent trends?

DCC Response: The Water NZ benchmarking survey returns are published on our website. Please note the return for the 2013/4 year is still going through the Water NZ audit process and could be subject to change. <u>3 Water Performance Benchmarking</u>

Question 2: A copy of the calculations used from the check meters to arrive at the volume used to set the UAC, together with all the assumptions or data as to the range of occupants. The last two years, or the last two calculations if they are not redone annually would suffice.

DCC Response: The data from check meters is not part of the UAC calculation. The occupant of each property with a checking meter that is used for statistical purposes, is periodically asked to provide data on the number of occupants.

Question 3: How many domestic households (without swim pools, spas, irrigation systems or the like, as are we) are judged by DCC to currently be using an "extraordinary" amount of water so as to be metered?

DCC Response: We are unable to answer this question, as we do not hold sufficiently detailed information on the nature of high water use on domestic properties, to be able to exclude those properties with swimming pools, irrigations systems etc. Generally the only residential properties that are charged based on water meters (as opposed to having checking meters) are those outside of the water supply zones. This information is therefore declined pursuant to section 17(g) of LGOIMA.

Question 4: What is the quarterly or annual water usage figure that has been used or identified in the past to define "extraordinary" usage in an objective way?

DCC Response: The definition of extraordinary supply is contained in section 1.6 of the Water Supply Bylaw which is on our website (<u>Water Supply Bylaw</u>). Excessive water use is also defined in the bylaw as being over 230m3 / connection / year or 630l / property/day.

Question 5: How much of recent years invoiced metered water rate is in dispute or have been in serious arrears on an annual basis? (A percentage of the total bills disputed or actual doubtful debt figures or even the number of dis satisfied customers will do.)

DCC Response: As at 5 January 2015, five customers (out of 3762) are either disputing the bill or have simply refused to pay, have been in arrears for over 5 months. This includes your account for 60 Stafford Street.

Question 6: How does this compare with UAC or general rates in arrears?

DCC Response: 656 of all rates accounts (53,528) are in arrears. This figure includes all types of rates accounts including UAC and general rates and includes arrears of any duration. We are unable to differentiate between disputed accounts and those that are in arrears for other reasons and therefore cannot supply this information. As in our response to question 3 this information is not provided pursuant to section 17(g) of LGOIMA.

Question 7: Given the 2013 water supply operational costs were graphed by NZ Water as under 30 cents per cubic metre Laura's statement in front of Paul Order's and ourselves that the marginal cost for lost water was "certainly less than 30%" of the struck rate seems likely accurate. Is there anything I am missing to create doubt about this?

DCC Response: The Water NZ survey water supply operational costs are only the direct operational costs of water supply. They exclude capital (depreciation) and interest costs. Within the operational costs, some costs are not part of the marginal cost of water as they are driven by other factors such as infrastructure provision. These would include network repairs and maintenance costs, staff costs and electricity line charges. The UAC and unit rates for metered customers are set to recover the full cost of the water supply activity including capital, interest and associated corporate overheads.

Question 8: Could the degree of any known cross subsidization of water supply costs from general rates or the like be summarized for our information?

DCC Response: There is no cross subsidisation from water supply to general rates or vice versa. Prices and therefore revenue for each of the 3 waters activities (water, wastewater and storm water) are set taking a multi-year view of the funding needs of each individual activity within the group. In the current financial year, the water activity had a budgeted cash deficit of \$190,000.

Question 9: Was the choice shown as needed in the above extract made as an informed decision of Councillor's through a relevant Committee or full Council vote or did staff decide for them by simply presenting a draft bylaw with only the second option included with the implicit assurance that all was well as this was a nationally developed Model Bvlaw?

DCC Response 9: The Water Bylaw was adopted following a Special Consultative Procedure which requires full public consultation, as required under the Local Government Act 2002. I am attaching copies of the reports to Council which recommend releasing the draft Water Bylaw for public consultation, and the report to Council recommending final of the Water Bylaw. The reports note that the proposed bylaw is based on the model bylaw but contains revisions to suit Dunedin's specific needs and objectives. The reports may be accessed at the following link and are available until 4 February

2015.https://filetransfer.dcc.govt.nz/message/cX0icIXEcl0I07evi0Qvv9

As we have been unable to supply you with responses to questions 3 and 6, you have the right pursuant to section 27 of LGOIMA to have our decision not to supply information, reviewed by the Office of the Ombudsman.

Yours sincerely,

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