

# Asset Transfer Assessment Policy



## Aim

This Policy outlines the process that will be followed and the conditions that must be met for TasWater to assess and facilitate the transfer of water and sewerage assets and associated customer servicing obligations.

## Compliance Obligations

- Public Health Act 1997 (Tas)
- Water and Sewerage Corporation Act 2012 (Tas)
- Water and Sewerage Industry Act 2008 (Tas)

## Definitions

An **asset transfer** occurs when an existing water or sewerage system, or part thereof, is transferred from its current owner to TasWater including any assets, customers, responsibilities, and liabilities associated with that system.

**Water system** means the storage, intake structures, treatment plant, pipes, fittings, meters, and other connected accessories required for or incidental to the supply and measurement of water.

**Sewerage system** means the pipes, maintenance holes, pump stations and treatment plants and other connected accessories required for or incidental to the conveyance and discharge of sewage.

## Exclusions

This Policy does not cover situations where the proposed asset transfer constitutes service introduction under TasWater's Water and Sewerage Network and Charges Policies or service extension or expansion under TasWater's Land Development Policies.

## Policy

We will not consider an asset transfer unless all the following conditions are satisfied:

1. A request to transfer the asset is received in writing from:
  - a. A local government council.
  - b. A community group.
  - c. The Tasmanian Government or one of its agencies.
2. Either:
  - a. The asset is compliant with both minimum TasWater and regulatory standards, or
  - b. If the asset is not compliant with minimum TasWater and regulatory standards, external funding is made available to achieve compliance within an agreed timeframe.
3. Acceptance will not result in the requirement to immediately impose a Boil Water Alert or Do Not Consume Alert.

4. At least 50 per cent of the community serviced by the asset supports the proposal and is willing (in principle) to pay a service introduction charge and ongoing service charges for the proposed service before TasWater commits any resource to assess the request
5. TasWater has the resources and capacity to upgrade and maintain the asset.

If all of the above conditions are met, then Stage 3 of the Service Introduction Charges Policy will be applied to all asset transfers accepted by us in accordance with this Policy.

Notwithstanding anything in this Policy, in no circumstances should existing TasWater customers be expected to fund, or cross-subsidise costs associated with asset transfers.

Where necessary, we will work with the relevant stakeholders to seek external funding to facilitate a proposed asset transfer.

## Responsibilities

The General Manager Asset Management Services is responsible for implementing this Policy.

### Associated Documents

- Long Term Strategic Plan 2018–2037
- Land Development Policies TASPOL32
- Water and Sewerage Network and Charges Policies TASPOL33
- Financial Sustainability Strategy
- Service Introduction Charges Policy

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