Dear Essential Services Commission,

Here are my submissions on your draft water price review 2009:

1.   Sewerage "volume" charges.
Consumers bills should be tied only to water usage volumes and not to
(assumed but unmetered) sewerage volumes.

The current rules mean that a household using a consistent amount of water,
and that doesn't water large gardens, has a lower "assumed" sewerage volume
in summer -- and therefore a lower water bill in summer than in winter.
Water is cheaper in summer? What nonsense!

Under a user-pays system, you should charge for what people use, not how
much you think might be flushed away.

2.   Water charges to non-residential users.
Retail prices for non-residential users are lower than for residential
users (except the lowest tier). Businesses should pay the top tier of the
consumer prices. There are two main reasons:

Ethical: Should it be cheaper to wash a horse or a truck than a child or
adult? Should washing dishes be cheaper in a restaurant than at home?
Should a fern be cheaper to water in the plant nursery than when you take
it to your house? It is not sensible to say you are "protecting jobs" by
keeping costs down, because higher water charges as an input cost to a
business will simply be passed on as a retail charge to consumers.

Efficiency: Businesses maximise profit, but individuals maximise utility.
So households will respond slowly to water price rises (I love my long
showers... I have to have a green garden... Look at my shiny car...).
Businesses monitor their expenses and should make rational decisions more
readily than households, e.g. to install water-saving equipment with a
three-year return on investment, to wash vehicles less frequently, etc.

So a price rise for businesses should cause a bigger reduction in the
volume of water consumed (due to higher price elasticity of demand).

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