

# Kaupapa Here Kawenata Torona

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# Water Supply Agreements Policy

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# Water Supply Agreements Policy

## Executive Summary

The South Taranaki district contains numerous large scale water users. It is the responsibility of the Council to supply safe drinking water and ensure that sufficient quantity is available, whilst minimising the impact on the environment. The formalisation of framework and establishment of Water Supply Agreements for larger customers provides the necessary regulation and control for the Council to meet its water supply obligations, in a safe, effective, and efficient way.

## Council's Role and Responsibility

Consumption of water from the Council water supplies must be managed effectively to ensure that the Council can provide the required level of service to business, whilst meeting its public health and environmental obligations.

## Purpose of the Policy

Currently, there are very few and inconsistent water supply agreements with non-domestic customers. This policy builds on the provisions of the South Taranaki District Council's current and operative Water Supply Bylaw by introducing Water Supply Agreements for the larger water users. Introducing formal water supply agreements will provide the control required for the effective and efficient management of the water supplies. It also provides a consistent and documented approach to the supply of water to larger customers and review of pre-existing agreements.

## Objectives

The policy objectives below are to:

- Ensure compliance with the Council's obligations under the Water Services Act 2022.
- Ensure an equitable allocation of treated water resources.
- Ensure that the ability to supply water is not compromised by the drawing of excessive, increasing, or uncontrolled quantities of water.
- Fully understand and manage water demand to optimise capital expenditure.
- Manage the impact on reticulation networks by regulating how water is taken from supply networks.
- Encourage water conservation.
- Sustain and/or enhance the natural water environment.
- Ensure compliance with current and future abstraction consent conditions in a sustainable manner.

## Requirements of the Act

There are no specific requirements for Water Supply Agreements Policy in either the Local Government Act 2002 or the Water Services Act 2021. However, under section 30 of the Water Services Act 2021 the owner of a drinking water supply must prepare and implement a drinking water safety plan. This Policy makes a significant contribution to meeting the obligations detailed in the Water Safety Plans.

Under section 14 of the Water Services Act 2021, when exercising or performing a function, power, or duty a person must give effect to Te Mana o te Wai.

## Definitions

**Backflow** means the unplanned reversal of flow of water or mixtures of water and contaminants into the Council's water supply systems.

**Capital expenditure (Capex)** means capital expenditure funded by the council for the use of upgrading, renewing or restoring water assets.

**Council** means the South Taranaki District Council.

**Customer** means the entity named in the agreement that uses or has obtained the right to use, or direct the manner of use of, water supplied by the Council.

**Fire Main** means a point of supply provided for the purpose of fighting fires which is not intend for the regular supply of water to the customer.

**Maximum Daily Volume** means the maximum amount of water that may be drawn from the Council water supply in any daily period. This is measured from midnight to midnight each day.

**Maximum Flow Rate** means the maximum instantaneous rate that water can be drawn from the Council water supply.

**Operational Expenditure (OPEX)** means the money required to operate the Council's water supplies, including interest on capital and depreciation.

**Policy** means The Water Supply Agreements Policy.

**Point of Supply (POS)** means the point on the water pipe leading from the Council's water main to the premises, which marks the boundary of responsibility between the customer and the Council, irrespective of property boundaries.

**Premises** means the facilities to which water is supplied.

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**Pressure Transients** means pressure fluctuations both negative and positive caused by changes in flow.

**Te Mana o Te Wai** is a concept that refers to the fundamental importance of water and recognises that protecting the health of freshwater protects the health and well-being of the wider environment. It protects the mauri of the wai. Te Mana o te Wai is about restoring and preserving the balance between the water, the wider environment, and the community. *(National Policy Statement for Freshwater Management 2020)*

**Water supply agreement (WSA)** includes new and pre-existing water supply agreements.

**Year** means the Council's financial year commencing on 1 July and finishing on 30 June.

## Policy

### Scope of the policy

The Council's current and operative Water Supply Bylaw defines large customers, as those who consume, on average, more than 50 cubic metres of water per calendar day. These large customers are supplied via a water meter and will be subject to a Water Supply Agreement (WSA).

In addition, WSAs will be made with any customer(s) where their method of drawing water could adversely affect the operation of a water supply, potentially damage the water reticulation network, or the level of service received by other customers, (for example, the speed of opening and closing valves causing pressure transients resulting in supply problems for other customers, potential backflow, or damage to the reticulation network).

### 1.0 Water Supply Agreements

1.1 The Council may require another party to enter into a Water Supply Agreement.

Water supply agreements will:

1.2 Be for a term of five (5) years for new agreements and will apply for pre-existing agreements from establishment of this policy.

1.3 Identify the premises using an aerial photograph and Council property number(s).

1.4 Locate each Point of Supply (POS) using an aerial and site photograph and record details of the configuration of the POS and connection(s) to the water supply. When making the agreement the number and location of POS will be reviewed and rationalised, if required to minimise the number of connections.

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- 1.5 Identify and record the function of each POS, noting any that are dedicated fire mains.
- 1.6 Record permitted water flows, stating:
  - 1.6.1 The Maximum Daily Volume that can be drawn from the water supply. This allows the maximum demand on a water supply to be calculated, so any surplus can be reallocated.
  - 1.6.2 The Maximum Flow Rate at which water can be drawn. This protects the reticulation networks against sudden drops in pressure, or quickly falling reservoir water levels. Some customers may need to be supplied on a trickle-fed basis where a small amount of water is taken constantly over 24 hours and stored in a tank, which is owned by the customer and located on their premises.
- 1.7 Define the process on how a request to vary the permitted water flows can be made.
- 1.8 Record the customer's best view of their required Maximum Daily Volume for the next 5 years. These projections will not be binding but will be the best estimate of consumption by the customer. This is to allow the expenditure required to meet any increase in water demand to be planned and optimised.
- 1.9 Record the backflow risk assessment and detail the backflow prevention measures required.
- 1.10 State the maximum and minimum transient pressures that can be generated by the customer's operation of their water connection(s) and the number of pressure cycles permitted.

***Note:** fast acting valves cause pressure spikes when they are closed that can cause pipe failures in reticulation. Fast opening valves cause pressure reductions which can result in backflow occurring. Excessive pressure cycles can also damage pipes, significantly reducing their operational lives requiring early asset renewal.*
- 1.11 Record the customer's obligations regarding auditing of their water supply operation and water usage.

***Note:** improvements that are subsequently made on the customer's premises benefit all water customers.*
- 1.12 State that the Council will set the charges and rates annually under the provisions of the Local Government Act 2002 and the Local Government Rating Act 2002, and that they are subject to change.

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1.13 Detail the penalties that can be made for breaching the Water Supply Agreement.

1.14 Record that billing will be monthly.

### 2.0 Implementation of this Policy

#### 2.1 Hierarchy:

The principal documents for regulation of water supply are the Local Government Act 2002 (LGA) and the Health Act 1956. The Water Supply Bylaw is made under authority provided in the LGA. This policy is made in support of the Council's Water Supply Bylaw and to fulfil its obligations under the Health Act.

#### 2.2 Consultation:

To be assessed by the Corporate Services team in terms of the current Significance and Engagement Policy.

#### 2.3 Existing agreements:

Where there are existing water supply agreements, the Council will consult with the customer and seek to renew the agreement to align with this Policy.

### 3.0 Sustainability

3.1 Water supply agreements will include the provision of restricting supply to the customer in response to restrictions resulting from resource consents. For example, this may include restricted supply for customers when the current or future abstraction consent requires limitations in the supply of water. This may include river abstraction restrictions during summer.

3.2 This provision may also include restriction of water supply to customers, in response to issues encountered which may include problems in water treatment plant(s), water supply intake issues, pipeline failure, processing or waste disposal issues.

### 4.0 More Information

The Strategic Assets Manager is responsible for this Policy and any queries arising from it. They can be contacted at the South Taranaki District Council on 06 278 0555 or 0800 111 323.

### 5.0 Review of Policy

This Policy shall be reviewed every three (3) years to ensure that it is achieving its objectives.

### History of Policy

Action	Description	Decision date	Resolution number	Commencement
New	Adoption of policy	04/04/2022	28/22	05/04/2022



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