

HAZELTINE PTY. LTD. [ACN 008 912 749]

Property Developers and Holiday Accommodation

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26 July 2005

WaterSubmissions
Economic Regulation Authority
Level 6 Governor Stirling Tower
187 St. Georges Terrace
PERTH WA 6000

Dear Dr. Kretzer,

We are the senior partners in seventeen holiday apartments in Esperance and also have the major interest in an office retail complex, which also contains a modern three-screen cinema.

It was of some concern to hear that your review panel seems to have undervalued many of the obvious benefits to local business, which would accrue from the supply of a more potable water supply to the Esperance Business community.

In our case we have had many complaints from tenants who are unable to use rainwater in their coffee machines (viz:- health regulations) and holiday guests who initially complained of scum on any boiled or food cooked with water.

I understand the coffee shop has to buy their water and we have had to treat all water used in the apartments with water softeners. The water softeners require the purchase of over two tonnes a salt per year and require constant maintenance.

Even with this maintenance we have had to install Dux hotwater systems costing over \$3500 per apartment to heat the water. This system does not require contact with the local water and is heated by hot gas pipes around the water jacket.

There is also the ongoing maintenance of kettles, tap fittings, cisterns, shower and spa facilities which need constant attention compared to what one would expect from a more potable water supply.

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Our businesses would gain considerable benefits if the UUA proposal were successful.

It is hoped your assessment team can re-evaluate the urgency of a better supply of water to Esperance Business.

Yours sincerely,

Ian Hay

Ian Hay (Proprietor).