

Water, electricity and gas in rental properties

In NSW, there are laws that state who must pay for these services. Your tenancy agreement will state who is responsible for each utility, most of which are not included in the rent.

On this page

- [General advice](#)
- [What are 'separately metered' rentals?](#)
- [What are 'embedded network' rentals?](#)
- [Electricity and non-bottled gas](#)
- [Bottled gas](#)
- [Water](#)
- [Tenant non-payment](#)
- [Interference with supply](#)

General advice

- Usually the tenant pays for utilities if the property is 'separately metered'.
- Usually there is a fee for reconnecting or switching on utilities and the supplier may ask you to sign a contract.
- Do not sign a new contract with another utility supplier before your current contract has ended. They may charge you for ending your contract early.

What are separately metered rentals?

Tenants will generally pay for electricity, gas, oil or water usage charges if the property is separately metered.

A rental property is **separately metered** if the meter:

- measures the amount of electricity, gas, oil or water supplied or used only at the property
- allows a separate bill to be issued by the supplier
- for an electricity meter - has a National Meter Identifier (NMI)
- for a gas meter - has a Meter Installation Reference Number (MIRN) or Delivery Point Identifier (DPI)

NMI, MIRN and DPI are unique numbers energy suppliers use to identify the meter installed at the property and can be found on the energy bill.

They help match a property with the energy account, so a property does not get billed for someone else's power use.

Not all electricity or gas meters located in an 'embedded network' have an NMI, MIRN or DPI assigned. These meters are still 'separately metered' if the meter is located in an embedded network and the meter is not required to have these numbers.

What are 'embedded networks' rentals?

Embedded networks are common in high density apartment buildings, strata schemes, residential land lease communities and retirement villages.

An embedded network is a private energy network within a building or self-contained site which can be owned and/or operated by the building or site owner, an owner's corporation (in a strata scheme) or a third party. The owner/operator of the embedded network buys energy from a retailer and then 'on-sells' the energy to residents within the building or site.

If electricity or gas is supplied to the rented property from an embedded network, landlords or agents need to include this in the residential tenancy agreement. This only applies to tenancy agreements signed from 23 March 2020.

Visit the Australian Energy Regulator for information on electricity customers in embedded networks. The NSW Energy and Water Ombudsman has more information about the rights of embedded network customers and receives and investigates complaints about issues with embedded networks.

Electricity and non-bottled gas

The landlord must pay for the installation costs and charges for the initial connection so that electricity or gas can be supplied to the property.

Tenants will pay for electricity and non-bottled gas if the property is separately metered. If the property is not separately metered, the landlord must pay for these charges.

If the property has an existing gas supply but there are no gas appliances and the tenant does not use any gas, the landlord must pay any service charges for the supply of non-bottled gas where the property **is separately metered**.

Social housing tenants pay for the supply of non-bottled gas to properties that are **not separately metered** if the gas supply is part of a centralised hot water system and an individual hot water meter records the amount of hot water provided to the property.

What about electricity meters (including advanced meters)?

Landlords must pay for repair, maintenance or other work needed to install or replace an electricity meter in working order (including an advanced meter), if the meter is either:

- faulty
- needs to be replaced as testing indicates it may become faulty
- has reached the end of its life.

This applies to new tenancy agreements signed from 23 March 2020.

Bottled gas

If bottled gas is provided, the landlord must pay for installation costs and charges for the initial connection to the property.

The landlord also pays for the supply or hire of gas bottles at the start of the tenancy.

During the tenancy, the tenant pays for the supply of bottled gas for the property.

Water

Water is different to other utilities as it is always connected, and the account for the water supply will be in the landlord's name.

Landlords must pay all water **supply service charges** and all sewerage supply service charges.

In NSW, a landlord can only ask a tenant to pay **water usage charges** if:

1. the property is separately metered (or water is delivered by vehicle), and
2. the charges are not more than the amount the landlord is billed for by the water supplier, and
3. the property meets the 'water efficiency' standards.

The landlord or agent can request payment from the tenant for water usage charges within 3 months of a bill being issued.

They will need to provide the tenant with a copy of the bill. The tenant must be given at least 21 days to pay the water usage amount owing.

Water usage charges should be paid separately to rent.

Important advice from us

- Water billing periods are unlikely to align with tenancy agreements. The water meter reading should be noted on the condition report at the start and end of each tenancy to ensure the tenant is not paying for another tenant's water usage.
- Tenants can contact their local water provider if they think the water bill is too high.

- Tenants will have to pay for water usage if they remove or tamper with the water efficiency measures, and they may have to pay to replace them.
- Social housing tenants must pay water usage as determined by ministerial guidelines issued by the Department of Communities and Justice.

Water efficiency standards

A property is only considered water efficient if it meets these standards.

Water efficiency measures	Required standard
No leaking taps or toilets	No leaking taps or toilets anywhere on the property at the start of the tenancy and whenever the other water efficiency measures are installed, repaired or upgraded
Shower heads	Maximum flow rate of 9 litres per minute
Internal cold water taps and single mixer taps for kitchen sinks or bathroom hand basins	Maximum flow rate of 9 litres per minute
Dual flush toilets	From 23 March 2025: all toilets on the property are dual flush and have a minimum 3-star WELS rating

The 9 litres per minute flow rate does not apply to other taps in the property, including bathtub taps, laundry taps, outside taps for the garden, or taps for washing machines and dishwashers.

Proving water efficiency

Water efficiency measures should appear on the condition report .

Tenants can ask the landlord or agent to provide some evidence.

If the tenant would like to check that the property meets the minimum standards, they can turn the tap on completely and the water flow rate should be less than 9 litres in a minute.

Maintaining water efficiency

If showerheads or taps need to be replaced, they must be replaced with items that meet the water efficiency standards to be able to continue passing on water usage charges to the tenant.

Landlords who replace existing toilets in their property should consider installing dual flush toilets with a minimum 3-star WELS rating to meet the water efficiency requirements by 23 March 2025.

For more information about regulated water saving products and their testing ,rating, labeling and display requirements visit the [Water Efficiency Labeling and Standards \(WELS\) Scheme](#) website or call 1800 372 746.

Visit repairs, maintenance and damage if any water utility is broken (e.g. burst water pipe) or the property's taps or toilets are leaking.

Water tanks

If tank water is the only form of water supply to the property (where water is delivered by vehicle), then the landlord should ensure there is water in the tank at the start of the tenancy.

Tenants will be responsible for refilling the tank (if needed) during the tenancy if the property meets the water efficiency standards.

Septic tanks

If the property has a septic tank system, the tenant must pay for the cost of pumping it out when it becomes full.

Septic tanks are one of the most common types of onsite wastewater treatment systems used if there is no sewerage system in the area.

Rebates for water usage charges

If a landlord receives the benefit of a rebate for water usage charges (or an amount the same as a rebate), then this must be passed on to the tenant.

Tenant non-payment

If a tenant falls more than 14 days behind with the water usage or utility charges, the landlord or agent can serve them with a non-payment termination notice, giving them 14 days to leave the property.

The notice must:

- be in writing
- be signed and dated by the landlord or agent
- state the address of the rented property
- give the day **on** which the tenant is requested to move out
- state that the reason for giving the notice is because the tenant is more than 14 days behind with the water usage charges or utility charges

- include a statement informing the tenant that they do not have to leave if they pay all the water usage or utility charges owing or enter into, and fully comply with, a repayment plan agreed with the landlord.

A landlord can write their own notice or use our [sample termination notice form PDF](#), [237.76 KB](#).

Tenants who catch up with their water, electricity or gas bills

There is a 'general guarantee' that a tenancy will continue if a tenant catches up with the water usage or utility charges or there is a repayment plan that is being followed.

If this happens after a landlord has applied to the [Tribunal](#), or after the Tribunal has given a termination order, the tenancy will continue.

This means a landlord will not be able to enforce the order even if they already obtained a warrant for possession. The exception is where the tenant frequently pays late. The Tribunal can make an order that a tenancy will definitely end, even if the tenant pays the water usage charges they owe.

Interference with supply

A landlord or agent who interferes with the supply of electricity, gas, water, telecommunications services or other services to the rented property will be in breach of the tenancy agreement.

This doesn't include if the interference is necessary to avoid danger to any person or for maintenance or repairs.

No-one should not stop a tradesperson's entry to the property when they are carrying out maintenance or repairs necessary to avoid health or safety risks to any person, or to avoid services to the property may be disconnected. See [access and entry to a rental property](#) for more information

[Prev](#) Repairs, maintenance and damage when renting

[Next](#) Health, safety and security in a rental property

<https://www.fairtrading.nsw.gov.au/housing-and-property/renting/during-a-tenancy/Water,-electricity-and-gas-in-rental-properties> 03-11-21

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