

REVIEW OF WATER MANAGEMENT CHARGES DEFERRED

The Independent Pricing and Regulatory Tribunal (IPART) has agreed to a request from the NSW Department of Industry to defer the next review of the Water Administration Ministerial Corporation's (WAMC) water management charges by 12 months.

This decision means that IPART's next review of WAMC prices, which was due to commence in July 2019 for the new determination to apply from 1 July 2020, will now commence in July 2020 for the new determination to apply from 1 July 2021. We have consulted with both the NSW Department of Industry and WaterNSW in making this decision.

This means that WAMC's 2019-20 prices under the current determination will remain constant in nominal terms (with no adjustment for inflation) beyond 2019-20, until IPART makes a new price determination.

IPART Chair Dr Paul Paterson said that the Tribunal had accepted the Department's reasons for seeking a 12 month deferral to the next WAMC price determination.

"Extending the current WAMC determination by 12 months will provide the Department with more time to consider, develop and consult on its pricing proposal for the next WAMC price review, which for the first time will include the newly established Natural Resources Access Regulator (NRAR)."

"Extending the current WAMC determination will also allow us to align our next review of WAMC's prices with our next review of WaterNSW's rural bulk water prices, which is due to commence in July 2020. Aligning these reviews will benefit stakeholders by allowing all rural water issues to be considered and consulted on at the same time."

IPART is scheduled to conduct its next reviews of prices for WAMC's water management services and WaterNSW's rural bulk water services in 2020-21 and will consult with stakeholders during these reviews through public hearings and seeking submissions in response to Issues Papers and Draft Reports.