



Maximum prices for water transportation services supplied by WaterNSW for the Murray River to Broken Hill Pipeline from 1 July 2026

Draft Determination

March 2026

Water >>

Acknowledgment of Country

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We pay respect to their Elders both past and present, and recognise Aboriginal people's unique and continuing cultural connections, rights and relationships to land, water and Country.

Tribunal Members

The Tribunal members for this review are:

- Carmel Donnelly PSM, Chair
- Dr Darryl Biggar
- Jonathan Coppel
- Sharon Henrick

Further information on IPART can be obtained from [IPART's website](#).

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Part 1 Preliminary

1 Application of this determination

This determination fixes the maximum prices that Water NSW may charge Essential Energy for the Pipeline Service, and sets a methodology for fixing the maximum prices that Water NSW may charge Non-EE Customers for the Pipeline Service.

2 Services excluded from this determination

- (1) This determination does not apply where the Pipeline Service is provided pursuant to a Negotiated Services Agreement.
- (2) The Suspension Services are not part of the Pipeline Service for the purposes of this determination.

[Note: IPART has deferred the determination of maximum prices for the Suspension Services. WaterNSW and Essential Energy are at liberty to negotiate prices for the Suspension Services until and unless IPART determines a maximum price. Either WaterNSW or a customer may approach IPART to fix a maximum price for the Suspension Services, or other services excluded from this determination, in a future determination.]

3 Commencement and term of this determination

- (1) This determination commences on the later of:
 - (a) 1 July 2026; and
 - (b) the date that it is published in the NSW Government Gazette,
(Commencement Date).
- (2) Subject to clause 3(3), the maximum prices under this determination apply from the Commencement Date to 30 June 2031.
- (3) The maximum prices under this determination prevailing at 30 June 2031 continue to apply beyond 30 June 2031, until this determination is revoked or replaced.

[Note: For the avoidance of doubt, the effect of clause 3 is that this determination will apply in respect of Pipeline Services supplied on or after the Commencement Date, and the 2022 Determination will apply in respect of Pipeline Services supplied prior to the Commencement Date and within the term of the 2022 Determination.]

4 Replacement of the 2022 Determination

This determination replaces the 2022 Determination.

5 Legislative background

- (1) This determination is made under section 11(1)(a) of the IPART Act. That provision requires IPART to conduct investigations and make reports to the Minister on the determination of pricing for government monopoly services supplied by a government agency specified in Schedule 1 to the IPART Act.

(2) The services for which this determination fixes prices are government monopoly services because the Minister declared them as such in the Order.

(3) Water NSW is a government agency specified in Schedule 1 to the IPART Act.

[Note: On 1 January 2015, the State Water Corporation was continued in existence as a corporation constituted by the Water NSW Act but with the new name of Water NSW. References to the former State Water Corporation in the Order are to be read as references to Water NSW, in accordance with clause 24 of Schedule 2 of the Water NSW Act.]

Part 2 Maximum Price for Essential Energy

6 Maximum price

The maximum price that Water NSW may levy for supplying the Pipeline Service to Essential Energy is the amount calculated using the formula in Box 1.

Box 1 Maximum price for Essential Energy

$$MP_{EE} = AC_{EE} + (UR_{EE} \times U_{EE})$$

Where:

MP_{EE} means the maximum price that Water NSW may levy for supplying the Pipeline Service to Essential Energy for the applicable Period;

AC_{EE} means the access charge specified in Table 1 for the applicable Period;

UR_{EE} means the usage rate specified in Table 2 for the applicable Period; and

U_{EE} means the number of kilolitres of water measured by the Meter for the applicable Period.

Table 1 Access charge

1 July 2026 to 30 June 2027 (\$/day)	1 July 2027 to 30 June 2028 (\$/day)	1 July 2028 to 30 June 2029 (\$/day)	1 July 2029 to 30 June 2030 (\$/day)	1 July 2030 to 30 June 2031 (\$/day)
78,430.95	78,430.95 x CPI ₁	78,430.95 x CPI ₂	78,430.95 x CPI ₃	78,430.95 x CPI ₄

Table 2 Usage rate

1 July 2026 to 30 June 2027 (\$/ML)	1 July 2027 to 30 June 2028 (\$/ML)	1 July 2028 to 30 June 2029 (\$/ML)	1 July 2029 to 30 June 2030 (\$/ML)	1 July 2030 to 30 June 2031 (\$/ML)
310.47	309.01 x CPI ₁	307.60 x CPI ₂	307.41 x CPI ₃	304.09 x CPI ₄

Part 3 Maximum Price for Non-EE Customers

7 Maximum price

The maximum price that Water NSW may levy for supplying the Pipeline Service to a Non-EE Customer is the amount calculated using the formula in Box 2.

Box 2 Maximum prices for Non-EE Customers

$$MP_{NEE} = (AC_{NEE} \times O_{NEE}) + (UR_{NEE} \times U_{NEE})$$

Where:

MP_{NEE} means the maximum price that Water NSW may levy for supplying the Pipeline Service to a Non-EE Customer for the applicable Period;

AC_{NEE} means the access charge specified in Table 3 for the applicable Period;

O_{NEE} means the Non-EE Customer's Number of Offtakes;

UR_{NEE} means the usage rate specified in Table 4 for the applicable Period; and

U_{NEE} means the number of kilolitres of water supplied to the Non-EE Customer for the applicable Period.

Table 3 Access charge

1 July 2026 to 30 June 2027 (\$/day)	1 July 2027 to 30 June 2028 (\$/day)	1 July 2028 to 30 June 2029 (\$/day)	1 July 2029 to 30 June 2030 (\$/day)	1 July 2030 to 30 June 2031 (\$/day)
23.36	23.36 x CPI ₁	23.36 x CPI ₂	23.36 x CPI ₃	23.36 x CPI ₄

Table 4 Usage rate

1 July 2026 to 30 June 2027 (\$/kL)	1 July 2027 to 30 June 2028 (\$/kL)	1 July 2028 to 30 June 2029 (\$/kL)	1 July 2029 to 30 June 2030 (\$/kL)	1 July 2030 to 30 June 2031 (\$/kL)
0.31047	0.30901 x CPI ₁	0.30760 x CPI ₂	0.30741 x CPI ₃	0.30409 x CPI ₄

Part 4 Statement of reasons for setting methodologies

8 Legislative framework

- (1) Under section 13A of the IPART Act, IPART may not choose to make a determination that involves setting the methodology for fixing a maximum price, unless IPART is of the opinion that it is impractical to make a determination directly fixing the maximum price.
- (2) If IPART makes a determination that involves setting the methodology for fixing a maximum price then it must include a statement of reasons as to why it chose to set a methodology.

9 Statement of reasons

IPART has set a methodology for fixing the maximum price for supplying the Pipeline Service to Non-EE Customers. This is because the cost of providing the Pipeline Service to Non-EE Customers depends on the Non-EE Customer's Number of Offtakes. It is impractical to make a determination directly fixing a maximum price for supplying the Pipeline Service to Non-EE Customers because the costs of providing the Pipeline Service through an Offtake vary depending on the Number of Offtakes a customer has.

Part 5 Definitions and interpretation

10 Interpretation

10.1 General provisions

In this determination:

- (1) headings are for convenience only and do not affect the interpretation of this determination;
- (2) a reference to a part, clause, table or box is a reference to a part of, clause of, table in or box in, this determination unless otherwise indicated;
- (3) a construction that would promote a purpose or object expressly or impliedly underlying the IPART Act is to be preferred to a construction that would not promote that purpose or object;
- (4) a reference to a law or statute includes regulations, rules, codes and other instruments (including licences) under it and consolidations, amendments, re-enactments or replacements of them or of the law or statute itself;
- (5) a reference to a month is to a calendar month;
- (6) a reference to a person includes a reference to the person's executors, administrators, successors, substitutes (including, but not limited to, persons taking by novation), replacements and assigns;
- (7) a reference to a body, whether statutory or not:
 - (a) which ceases to exist; or
 - (b) whose powers or functions are transferred to another body;is a reference to the body that replaces it or that substantially succeeds to its powers or functions; and
- (8) a reference to a business name which is replaced by a different business name is taken to be a reference to the replacement business name.

10.2 Explanatory notes and amendment notices

Explanatory notes do not form part of this determination, but in the case of uncertainty may be relied on for interpretation purposes.

11 Consumer Price Index

- (1) CPI means:
 - (a) the consumer price index All Groups index number for the weighted average of eight capital cities, published by the Australian Bureau of Statistics; or

- (b) if the Australian Bureau of Statistics does not or ceases to publish the index, then CPI will mean an index determined by IPART.

- (2) The CPI Multipliers are calculated using the applicable formula in Box 3.

Box 3 Calculation of CPI Multipliers

$$CPI_1 = \frac{CPI_{March2027}}{CPI_{March2026}}$$

$$CPI_2 = \frac{CPI_{March2028}}{CPI_{March2026}}$$

$$CPI_3 = \frac{CPI_{March2029}}{CPI_{March2026}}$$

$$CPI_4 = \frac{CPI_{March2030}}{CPI_{March2026}}$$

Where:

$CPI_{March2026}$ means CPI for the March quarter of 2026;

$CPI_{March2027}$ means CPI for the March quarter of 2027;

$CPI_{March2028}$ means CPI for the March quarter of 2028;

$CPI_{March2029}$ means CPI for the March quarter of 2029; and

$CPI_{March2030}$ means CPI for the March quarter of 2030.

12 Prices exclusive of GST

- (1) Maximum prices specified in this determination do not include GST.
- (2) For the avoidance of doubt, where GST is lawfully applied to maximum prices under this determination, the resulting GST inclusive price is consistent with this determination.

13 Rounding Rule

- (1) Any maximum price calculated in accordance with this determination is to be rounded to the nearest whole cent.
- (2) For the purposes of rounding a maximum price under clause 13(1) any amount that is a multiple of 0.5 cents (but not a multiple of 1 cent), is to be rounded up to the nearest whole cent.
- (3) The CPI multipliers calculated under clause 11(2) are to be rounded to three decimal places before adjusting a maximum price for inflation.

- (4) For the purposes of rounding the CPI multipliers under clause 13(3), any amount that is a multiple of 0.0005 (but not a multiple of 0.001) is to be rounded up to three decimal places.

14 Billing and meter reading

For the avoidance of doubt, nothing in this determination affects:

- (1) when Water NSW may issue a bill to Essential Energy or a Non-EE Customer for prices or charges under this determination; or
- (2) when Water NSW must read a Meter.

15 Definitions

In this determination:

2022 Determination means IPART's determination dated November 2022 and titled 'Maximum prices for water transportation services supplied by Water NSW for the Murray River to Broken Hill Pipeline', published in the New South Wales, Gazette, No 569, 9 December 2022, p 10.

Commencement Date means the commencement date defined in clause 3(1).

CPI means the Consumer Price Index calculated in accordance with clause 11(2).

Essential Energy means the corporation established under section 7 of the *Energy Services Corporations Act 1995* (NSW) and listed in Part 2 of Schedule 1 of that Act as 'Essential Energy'.

GST means the Goods and Services Tax as defined in *A New Tax System (Goods and Services Tax) Act 1999* (Cth).

IPART means the Independent Pricing and Regulatory Tribunal established under the IPART Act.

IPART Act means the *Independent Pricing and Regulatory Tribunal Act 1992* (NSW).

Meter means the meter located at or about the Broken Hill delivery point outside Water NSW's bulk water storage facility.

Multiple-Customer Offtake means an Offtake to which more than one customer has access.

Multiple-Customer Offtake Value means, in respect of a Multiple-Customer Offtake, one divided by the number of customers who have access to that Multiple-Customer Offtake.

[Note: For example, for a Multiple-Customer Offtake to which two customers have access, the Multiple-Customer Offtake Value would be $\frac{1}{2}$.]

Negotiated Services Agreement means a written agreement between Water NSW and a Non-EE Customer, a copy of which is provided to IPART by Water NSW:

- (a) under which Water NSW agrees to supply the Pipeline Service to the Non-EE Customer at prices that are not the maximum prices set out in Part 3 of this determination for the Pipeline Service; and
- (b) which is entered into after 1 July 2019.

Non-EE Customer means a customer other than Essential Energy.

Number of Offtakes means, in respect of a Non-EE Customer, the sum of:

- (a) the total number of Single-Customer Offtakes to which the Non-EE Customer has access; and
- (b) the sum of all the Multiple-Customer Offtake Values for each Multiple-Customer Offtake to which the Non-EE Customer has access.

Offtake means an outlet from the Pipeline through which one or more Non-EE Customers may be supplied water from the Pipeline.

Order means the *Independent Pricing and Regulatory Tribunal (Water Services) Order 2004* published in New South Wales, *Gazette*, No 144, 10 September 2004, 7520.

Period means, as the case may be:

- (a) 1 July 2026 to 30 June 2027;
- (b) 1 July 2027 to 30 June 2028;
- (c) 1 July 2028 to 30 June 2029;
- (d) 1 July 2029 to 30 June 2030; or
- (e) 1 July 2030 to 30 June 2031.

Pipeline means the pipeline that:

- (a) transports water from the Murray River at Wentworth to Water NSW's bulk water storage facility near Broken Hill; and
- (b) is operated by, or on behalf of, Water NSW.

Pipeline Service means the services involved in the supplying of water by means of, or in connection with, the Pipeline to Essential Energy and Non-EE Customers.

Restart Service means the services involved in recommencing the Pipeline Service after a Shutdown Service at Essential Energy's written request.

Shutdown Service means the services involved in suspending the Pipeline Service at Essential Energy's written request.

Single-Customer Offtake means an Offtake to which only one customer has access.

Standby Service means the services involved in making the Pipeline available for the Restart Service.

Suspension Services means the Shutdown Service, the Restart Service and the Standby Service.

Water NSW means the corporation constituted under the Water NSW Act.

Water NSW Act means the *Water NSW Act 2014* (NSW).