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Contact Fiona Towers

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25 October 2023

Hon Stephen Lawrence MLC
Chair
Joint Select Committee

via email

Dear Mr Lawrence MLC

2023 Joint Select Committee on protecting Local Water utilities from privatisation

The Tribunal has asked that I write to you to provide an overview of Independent Pricing and Regulatory Tribunal's (IPART) role in regulating water utilities.

IPART is an independent regulator established by the *Independent Pricing and Regulatory Tribunal Act 1992*. IPART is the price, quality and safety regulator for essential services, particularly where customers have no choice about who supplies them.

IPART does not regulate local water utilities. However, we have experience and expertise in regulating other public and private water utilities. IPART reviews and sets maximum prices for:

- the following public water utilities:
 - Sydney Water Corporation (Sydney Water) and Hunter Water Corporation (Hunter Water)
 - WaterNSW, for bulk water services in Greater Sydney, rural bulk water services and the Murray River to Broken Hill pipeline
 - Essential Water's prices for water and sewerage services in Broken Hill
 - Central Coast Council, in its capacity as a water supply authority
 - the Water Administration Ministerial Corporation (WAMC), for water management services for access licence holders and other services.
- the Sydney Desalination Plant (SDP), a privately owned water utility under the *Water Industry Competition Act 2006* (WIC Act).

IPART independently sets prices for water services to reflect the efficient cost of providing services and ensure fair prices for customers. To determine prices, IPART aims to minimise customer bill impacts while still providing utilities with enough funding to maintain secure, good quality services.

IPART is also tasked with administering and making recommendations to the Minister on operating licences for Sydney Water, Hunter Water and WaterNSW and licences for private water utilities including the Sydney Desalination Plant licensed under the WIC Act. We audit compliance with licence obligations to ensure that water quality, system continuity and reliability, environmental performance, and customer service performance meet certain standards.

We would be pleased to provide any further advice or assistance to the Committee.

IPART's contact officer for this matter is Fiona Towers, Executive Director, contactable on [REDACTED]

Yours sincerely

[REDACTED] 25/10/2023

[REDACTED]
Andrew Nicholls
Chief Executive Officer
[REDACTED]