

Media Release

14 April 2023

IPART proposes new desalinated water prices in Greater Sydney

IPART is seeking feedback on its draft decisions, released today, on the prices Sydney Desalination Plant Pty Ltd (SDP) can charge for its water supply and security services from 1 July 2023. SDP charges Sydney Water for its services. Sydney Water then passes these costs onto its customers across the Greater Sydney region.

"Our draft decisions recognise SDP's shift to a new, flexible full-time operation role under its new Network Operator's Licence.

"We have developed a draft package we consider would support its new service levels in a way that promotes the long-term interests of customers," said IPART Tribunal Member Sandra Gamble.

Under IPART's draft decisions, price increases for SDP's services would increase by around 1.5% in 2023-24. Given that the cost of SDP's services makes up less than 10% of a typical Sydney Water customer bill, our draft decisions would result in a small increase of around \$2 per year in a typical bill.

"We have set draft prices that reflect the efficient cost of SDP's new service levels. We have struck a fair balance of risk between SDP, Sydney Water and its customers and we have updated our efficiency and energy incentive mechanisms to encourage SDP to operate efficiently both now and into the future for the benefit of water customers in Greater Sydney," said Ms Gamble.

IPART encourages stakeholders to make submissions on the Draft Report, Draft Methodology Paper and Draft Determination by 12 May 2023. These are available on IPART's [website](#).

IPART will consider all submissions before finalising its review and releasing the Final Report and Determination in June 2023 and new prices applying from 1 July 2023.

Media Contact: Candy Nahnsen

 0427 105 865

 media@ipart.nsw.gov.au