

19 November 2021

Ms Maria Morahan  
Principal Analyst  
Independent Pricing and Regulatory Tribunal (IPART)  
PO Box K35  
Haymarket Post Shop NSW 1240

### **Deferral of end-of-term Water NSW operating licence review**

Dear Ms Morahan

Thank you for the opportunity to provide comment on IPART's proposal to defer the scheduled end-of-term review of Water NSW's Operating Licence.

In general, we have no major concerns with the deferral or a two-year term for an interim licence. This seems sensible in light of the ongoing NSW Government reviews and policy processes that may affect Water NSW in the near future. The proposed timing will mean that the next end-of-term review will occur concurrently with the next scheduled price review in 2023-24. This could cause challenges in terms of accurately forecasting costs to meet any anticipated new or amended licence obligations.

We have no proposed minor amendments for the interim licence. Based on current information, the recommended changes by Water NSW will not affect Sydney Water.

We request an opportunity to review and comment on the revised licence before IPART makes a recommendation to the Minister, to review any further changes that may impact Sydney Water.

If you would like to discuss these matters further, please contact [REDACTED] Regulatory Review Manager at [REDACTED].

Yours sincerely

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Head of Competition & Regulation