



1 May 2013

Mr James Cox PSM  
Chief Executive Officer and Full Time Member  
Independent Pricing and Regulatory Tribunal  
PO Box Q290  
QVB Post Office NSW 1230



**Draft Compliance Policy – Energy and water licence compliance policy**

Dear Mr Cox,

Thank you for the opportunity to comment on IPART's *Draft Compliance Policy – Energy and water licence compliance policy* (April 2013). I note that the policy sets out IPART's proposed process for enforcing compliance across public water utilities, energy utilities, and Water Industry Competition Act (WICA) licensees. As such, its scope extends to Sydney Water.

Sydney Water has reviewed the draft policy and holds no major concerns. I note that there are some policy variances between public utilities and WICA licensees. For instance, the circumstances under which IPART would take enforcement action. I consider the regulatory approach IPART is proposing to 'knowing contravention' is appropriate, given that the dual legislation governing public utilities and WICA licensees stipulates more in depth compliance reporting from public water utilities.

Lastly, the draft policy includes a list of agencies from which IPART may receive or exchange compliance information. The list includes the Office of Environment and Heritage. It would be appropriate to also specifically include the Environmental Protection Authority, which regulates a range of environmental protection licences.

If you or your staff have any further questions, please contact Sandra Spargo, A/Manager, Corporate Compliance on (02) 8849 5503.

Yours sincerely

Sandra Gamble  
General Manager, Business Strategy and Resilience