



The Hon. Matt Kean MP
Treasurer
Minister for Energy and Environment

Ref: TA21/2165

Ms Carmel Donnelly
Chair
Independent Pricing and Regulatory Tribunal
Level 16, 2-24 Rawson Place
SYDNEY NSW 2000

Dear Ms Donnelly

I am writing regarding the Government's decision to remove its Nil Developer Charges Policy for Sydney Water's and Hunter Water's water, wastewater, and stormwater services.

For the purposes of IPART's 2018 *Maximum prices for connecting, or upgrading a connection, to a water supply, sewerage or drainage system, Sydney Water, Hunter Water and Central Coast Council* Final Determination, I hereby notify you that the Nil Developer Charges Policy Change Day is 1 January 2022.

The Government's decision was contingent on a phased reintroduction of charges, which would involve the utilities charging a price below the maximum price calculated under IPART's determination, for a period of time. As you are aware, this will require me to provide Sydney Water and Hunter Water with written approval under section 18(2) of the *Independent Pricing and Regulatory Tribunal Act 1992*. I will write to Sydney Water and Hunter Water separately to provide my approval following the utilities' consultations with developers on future water infrastructure needs.

If you require additional information or wish to discuss this matter further, please contact Ms Geraldine Carter, Director Productivity Reform Branch (m: [REDACTED]).

Yours sincerely,

Matt Kean MP
Treasurer
Minister for Energy and Environment

9.12.21

cc.
Roch Cheroux, Managing Director Sydney Water;
Darren Cleary, Managing Director Hunter Water