



Independent Pricing and Regulatory Tribunal
New South Wales

Water NSW

Prices for bulk water services from 1 July 2021

Water Charge Rules 2010 (Cth)

Independent Pricing and Regulatory Tribunal Act 1992 (NSW)

Draft Determination

March 2021

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Preliminary

1 Summary

This determination regulates pricing for rural bulk water services supplied by Water NSW. IPART has made this determination under two regulatory regimes:

- (a) The regulated charges for certain rural bulk water services supplied by Water NSW are set under the *Water Charge Rules 2010 (Cth)* (**WCR**).¹
- (b) The maximum prices for the remaining rural bulk water services supplied by Water NSW are set under the *Independent Pricing and Regulatory Tribunal Act 1992 (NSW)* (**IPART Act**).

2 Outline

This determination is divided into the following sections:

- (a) The Preliminary section provides information about the two regimes under which IPART has made this determination and explains its application.
- (b) Schedule 1 sets out the regulated charges that Water NSW may levy for supplying MDB Bulk Water Services, other than Miscellaneous Charges.
- (c) Schedule 2 sets out the maximum prices that Water NSW may levy for supplying Coastal Bulk Water Services, other than Miscellaneous Charges.
- (d) Schedule 3 sets out the regulated charges and maximum prices that Water NSW may levy for supplying bulk water services to customers in the Fish River Water Supply Scheme, other than Miscellaneous Charges.
- (e) Schedule 4 sets out the Miscellaneous Charges that Water NSW may levy for supplying various miscellaneous services across MDB Valleys, Coastal Valleys and to customers in the Fish River Water Supply Scheme.
- (f) Schedule 5 sets out definitions and interpretation provisions.
- (g) Schedule 6 outlines the requirements under the WCR and IPART Act for IPART's determination of regulated charges and maximum prices.

¹ IPART has determined the regulated charges set out in this determination under accreditation arrangements in Part 9 of the WCR. The ACCC approved IPART's accreditation under rule 63 of the WCR, with effect from 1 June 2016.

3 Determination under the WCR

3.1 Coverage of determination

- (a) IPART has determined the regulated charges set out in Schedules 1, 3 and 4 under the WCR. These regulated charges are the maximum amounts that Water NSW may charge.
- (b) The regulated charges set out in Schedule 1 cover MDB Bulk Water Services that Water NSW supplies in Regulated Rivers in the following MDB Valleys:
 - (1) Border;
 - (2) Gwydir;
 - (3) Namoi;
 - (4) Peel;
 - (5) Lachlan;
 - (6) Macquarie;
 - (7) Murray;
 - (8) Murrumbidgee; and
 - (9) Lowbidgee.
- (c) The regulated charges set out in Schedule 3 cover rural bulk water services that Water NSW supplies to Rural Water Supply Customers in the Fish River Water Supply Scheme.
- (d) The regulated charges set out in Schedule 4 cover miscellaneous rural bulk water services that Water NSW supplies in the MDB Valleys listed in clause 3.1(b) and to Rural Water Supply Customers in the Fish River Water Supply Scheme.

[Note: In addition to the regulated charges described at clauses 3.1(c) and 3.1(d) above, Schedules 3 and 4 also contain maximum prices determined in accordance with the IPART Act. Refer to clauses 4.1(c) and 4.1(d) below.]

3.2 Application and commencement

Subject to the annual review process in Division 3 of Part 6 of the WCR (as amended on 1 July 2020), the regulated charges set under this determination apply from 1 July 2021 to 30 June 2025. The regulated charges set under this determination prevailing at 30 June 2025 may apply beyond 30 June 2025 in accordance with rule 33 of the WCR.

4 Determination under the IPART Act

4.1 Coverage of determination

- (a) IPART has determined the maximum prices set out in Schedules 2, 3 and 4 under the IPART Act.

- (b) The maximum prices set out in Schedule 2 cover Coastal Bulk Water Services that Water NSW supplies in Regulated Rivers in the following Coastal Valleys:
 - (1) North Coast;
 - (2) Hunter; and
 - (3) South Coast.
- (c) The maximum prices set out in Schedule 3 cover IPART Act Services that Water NSW supplies to Urban Water Supply Customers in the Fish River Water Supply Scheme.
- (d) The maximum prices set out in Schedule 4 cover miscellaneous rural bulk water services that Water NSW supplies in the Coastal Valleys listed in clause 4.1(b) and to Urban Water Supply Customers in the Fish River Water Supply Scheme.

[Note: In addition to the maximum prices described at clauses 4.1(c) and 4.1(d) above, Schedules 3 and 4 also contain regulated charges determined in accordance with the WCR. Refer to clauses 3.1(c) and 3.1(d) above.]

4.2 Application and commencement

- (a) The maximum prices for IPART Act Services set under this determination apply from the later of:
 - (1) 1 July 2021; or
 - (2) the date that this determination is published in the NSW Government Gazette,**(Commencement Date)**.
- (b) The maximum prices for IPART Act Services set out in this determination apply from the Commencement Date to 30 June 2025. The maximum prices for IPART Act Services set out in this determination prevailing at 30 June 2025 continue to apply beyond 30 June 2025 until this determination is replaced.

5 Replacement of the 2017 Determination

- (a) With effect from the Commencement Date:
 - (1) IPART's determination of maximum prices under the IPART Act in this determination, replaces the 2017 Determination to the extent it was made under the IPART Act; and
 - (2) IPART's determination of regulated charges under the WCR in this determination, replaces the 2017 Determination to the extent it was made under the WCR.
- (b) The 2017 Determination ceases to have effect upon its replacement. Replacement of the 2017 Determination does not affect anything done or omitted to be done, or rights or obligations accrued, under the 2017 Determination and before the Commencement Date.

Schedule 1 Regulated Rivers in MDB Valleys

1 Application

- (a) This schedule sets out the regulated charges that Water NSW may levy for supplying rural bulk water services in relation to a Water Licence that authorises the extraction of water from a Regulated River in an MDB Valley (**MDB Bulk Water Services**), other than Miscellaneous Charges.
- (b) The regulated charges that Water NSW may levy for MDB Bulk Water Services (subject to clause 1(c)) consist of the following:
 - (1) an entitlement charge calculated in accordance with clause 2;
 - (2) a usage charge calculated in accordance with clause 3, except in relation to MDB Bulk Water Services supplied in the Lowbidgee Valley;
 - (3) for the Border, Murray and Murrumbidgee Valleys:
 - (A) an MDBA/BRC entitlement charge calculated in accordance with clause 4; and
 - (B) an MDBA/BRC usage charge calculated in accordance with clause 5;
 - (4) for a Licence Holder in the Yanco Creek System, a Yanco Creek and Tributaries Advisory Council charge calculated in accordance with clause 7; and
 - (5) any Miscellaneous Charges calculated in accordance with Schedule 4.
- (c) In levying regulated charges on a Licence Holder listed in Table 5, Water NSW must apply the discount calculated in accordance with clause 6.

2 Entitlement charge

For MDB Bulk Water Services, Water NSW may levy an entitlement charge calculated as follows:

$$EC \times E$$

where:

- (a) **EC** is the entitlement charge expressed in dollars per megalitre of Entitlement or in dollars per unit share for the relevant MDB Valley, relevant year and relevant licence type in Table 1; and
- (b) **E** is a Licence Holder's Entitlement for that year.

[Note: Refer to Schedule 5, clause 2.7 for the calculation of the entitlement charge, and Schedule 5, clause 2.9(c) for the meaning of 'relevant MDB Valley'.]

3 Usage charge

- (a) For MDB Bulk Water Services, Water NSW may levy a usage charge for the relevant MDB Valley (excluding the Lowbidgee Valley) calculated as follows:

$$UC \times U$$

where:

- (1) **UC** is the usage charge expressed in dollars per megalitre of water for the relevant MDB Valley and relevant year in Table 2; and
 - (2) **U** is a Licence Holder's usage for that year.
- (b) Water NSW must not recover more than one usage charge in respect of any water used.

[Note: Refer to Schedule 5, clause 2.1(i) for the calculation of a Licence Holder's usage, and Schedule 5, clause 2.9(c) for the meaning of 'relevant MDB Valley'.]

[Note: For the avoidance of doubt, this charge may be levied on all holders of a supplementary water access licence except for those in the Lowbidgee Valley.]

4 MDBA/BRC entitlement charge

For MDB Bulk Water Services supplied in the Border, Murray and Murrumbidgee Valleys, Water NSW may levy an MDBA/BRC entitlement charge calculated as follows:

$$MDBAEC \times E$$

where:

- (a) **MDBAEC** is the MDBA/BRC entitlement charge expressed in dollars per megalitre of Entitlement or in dollars per unit share for the relevant MDB Valley, relevant year and relevant licence type in Table 3; and
- (b) **E** is a Licence Holder's Entitlement for that year.

[Note: For the avoidance of doubt, the MDBA/BRC entitlement charge may be levied in addition to the entitlement charge in clause 2 and is a separate and distinct charge unrelated to the entitlement charge in clause 2. Refer to Schedule 5, clause 2.7 for the calculation of the entitlement charge, and Schedule 5, clause 2.9(c) for the meaning of 'relevant MDB Valley'.]

5 MDBA/BRC usage charge

- (a) For MDB Bulk Water Services supplied in the Border, Murray and Murrumbidgee valleys, Water NSW may levy an MDBA/BRC usage charge for the relevant MDB Valley calculated as follows:

$$MDBAUC \times U$$

where:

- (1) **MDBAUC** is the MDBA/BRC usage charge expressed in dollars per megalitre of water for the relevant MDB Valley and relevant year in Table 4; and
 - (2) **U** is a Licence Holder's usage for that year.
- (b) Water NSW must not recover more than one MDBA/BRC usage charge in respect of any water used.

[Note: For the avoidance of doubt, the MDBA/BRC usage charge may be levied in addition to the usage charge in clause 3 and is a separate and distinct charge unrelated to the usage charge in clause 3. Refer to Schedule 5, clause 2.1(i) for the calculation of a Licence Holder's usage, and Schedule 5, clause 2.9(c) for the meaning of 'relevant MDB Valley'.]

6 Irrigation Corporations and districts discount

For a Licence Holder listed in Table 5, Water NSW must apply the discount (listed for that Licence Holder in Table 5) on that Licence Holder's total annual bill for entitlement and/or usage charges.

7 Yanco Creek and Tributaries Advisory Council charge

For a Licence Holder in the Yanco Creek System, Water NSW may also levy an entitlement charge expressed in dollars per megalitre of Entitlement or in dollars per unit share in Table 6 for the relevant year.

[Note: For the avoidance of doubt, the Yanco Creek and Tributaries Advisory Council charge may be levied in addition to any other charges provided for in this Schedule 1 and Schedule 4. Refer to Schedule 5, clause 2.7 for the calculation of the entitlement charge.]

Tables 1-6

Table 1 Entitlement charges for MDB Valleys

MDB Valley	Commencement Date to 30 June 2022	1 July 2022 to 30 June 2023	1 July 2023 to 30 June 2024	1 July 2024 to 30 June 2025
High Security Licence (\$/ML of Entitlement or \$/unit share)				
Border	6.42	6.42 x CPI ₁	6.42 x CPI ₂	6.42 x CPI ₃
Gwydir	16.28	16.28 x CPI ₁	16.28 x CPI ₂	16.28 x CPI ₃
Namoi	26.58	26.58 x CPI ₁	26.58 x CPI ₂	26.58 x CPI ₃
Peel	62.08	62.08 x CPI ₁	62.08 x CPI ₂	62.08 x CPI ₃
Lachlan	23.88	23.88 x CPI ₁	23.88 x CPI ₂	23.88 x CPI ₃
Macquarie	19.23	19.23 x CPI ₁	19.23 x CPI ₂	19.23 x CPI ₃
Murray	2.12	2.12 x CPI ₁	2.12 x CPI ₂	2.12 x CPI ₃
Murrumbidgee	3.88	3.88 x CPI ₁	3.88 x CPI ₂	3.88 x CPI ₃
General Security Licence (\$/ML of Entitlement or \$/unit share)				
Border	2.35	2.35 x CPI ₁	2.35 x CPI ₂	2.35 x CPI ₃
Gwydir	3.78	3.78 x CPI ₁	3.78 x CPI ₂	3.78 x CPI ₃
Namoi	9.28	9.28 x CPI ₁	9.28 x CPI ₂	9.28 x CPI ₃
Peel	5.88	5.88 x CPI ₁	5.88 x CPI ₂	5.88 x CPI ₃
Lachlan	3.53	3.53 x CPI ₁	3.53 x CPI ₂	3.53 x CPI ₃
Macquarie	3.76	3.76 x CPI ₁	3.76 x CPI ₂	3.76 x CPI ₃
Murray	0.93	0.93 x CPI ₁	0.93 x CPI ₂	0.93 x CPI ₃
Murrumbidgee	1.33	1.33 x CPI ₁	1.33 x CPI ₂	1.33 x CPI ₃
Lowbidgee ^a	1.48	1.48 x CPI ₁	1.48 x CPI ₂	1.48 x CPI ₃

^a This only applies to holders of supplementary water access licences in Lowbidgee Valley

Table 2 Usage charges for MDB Valleys (excluding Lowbidgee)

MDB Valley	Commencement Date to 30 June 2022 (\$/ML)	1 July 2022 to 30 June 2023 (\$/ML)	1 July 2023 to 30 June 2024 (\$/ML)	1 July 2024 to 30 June 2025 (\$/ML)
Border	6.48	6.48 x CPI ₁	6.48 x CPI ₂	6.48 x CPI ₃
Gwydir	14.82	14.82 x CPI ₁	14.82 x CPI ₂	14.82 x CPI ₃
Namoi	26.17	26.17 x CPI ₁	26.17 x CPI ₂	26.17 x CPI ₃
Peel	24.68	24.68 x CPI ₁	24.68 x CPI ₂	24.68 x CPI ₃
Lachlan	28.26	28.26 x CPI ₁	28.26 x CPI ₂	28.26 x CPI ₃
Macquarie	19.27	19.27 x CPI ₁	19.27 x CPI ₂	19.27 x CPI ₃
Murray	2.65	2.65 x CPI ₁	2.65 x CPI ₂	2.65 x CPI ₃
Murrumbidgee	4.44	4.44 x CPI ₁	4.44 x CPI ₂	4.44 x CPI ₃

Table 3 MDBA/BRC entitlement charges

MDB Valley	Commencement Date to 30 June 2022	1 July 2022 to 30 June 2023	1 July 2023 to 30 June 2024	1 July 2024 to 30 June 2025
High Security Licence (\$/ML of Entitlement or \$/unit share)				
Border	4.90	4.90 x CPI ₁	4.90 x CPI ₂	4.90 x CPI ₃
Murray	8.70	8.70 x CPI ₁	8.70 x CPI ₂	8.70 x CPI ₃
Murrumbidgee	1.87	1.87 x CPI ₁	1.87 x CPI ₂	1.87 x CPI ₃
General Security Licence (\$/ML of Entitlement or \$/unit share)				
Border	1.79	1.79 x CPI ₁	1.79 x CPI ₂	1.79 x CPI ₃
Murray	3.83	3.83 x CPI ₁	3.83 x CPI ₂	3.83 x CPI ₃
Murrumbidgee	0.64	0.64 x CPI ₁	0.64 x CPI ₂	0.64 x CPI ₃

Table 4 MDBA/BRC usage charges

MDB Valley	Commencement Date to 30 June 2022 (\$/ML)	1 July 2022 to 30 June 2023 (\$/ML)	1 July 2023 to 30 June 2024 (\$/ML)	1 July 2024 to 30 June 2025 (\$/ML)
Border	0.82	0.82 x CPI ₁	0.82 x CPI ₂	0.82 x CPI ₃
Murray	1.81	1.81 x CPI ₁	1.81 x CPI ₂	1.81 x CPI ₃
Murrumbidgee	0.36	0.36 x CPI ₁	0.36 x CPI ₂	0.36 x CPI ₃

Table 5 Irrigation Corporations and districts discount

Licence holder	Commencement Date to 30 June 2022 (\$)	1 July 2022 to 30 June 2023 (\$)	1 July 2023 to 30 June 2024 (\$)	1 July 2024 to 30 June 2025 (\$)
Murray Irrigation Limited	591,396	561,311 x CPI ₁	542,278 x CPI ₂	515,989 x CPI ₃
Western Murray Irrigation Limited	14,940	14,180 x CPI ₁	13,699 x CPI ₂	13,035 x CPI ₃
West Corrgan	29,574	28,070 x CPI ₁	27,118 x CPI ₂	25,803 x CPI ₃
Moirra Irrigation Scheme	15,606	14,813 x CPI ₁	14,310 x CPI ₂	13,617 x CPI ₃
Eagle Creek Scheme	5,587	5302 x CPI ₁	5123 x CPI ₂	4874 x CPI ₃
Murrumbidgee Irrigation Limited	440,477	410,359 x CPI ₁	400,944 x CPI ₂	386,267 x CPI ₃
Coleambally Irrigation Limited	188,774	175,867 x CPI ₁	171,831 x CPI ₂	165,542 x CPI ₃
Jemalong Irrigation Limited	45,671	46,136 x CPI ₁	40,564 x CPI ₂	37,441 x CPI ₃

Table 6 Yanco Creek System entitlement charge

Charge	Commencement Date to 30 June 2022	1 July 2022 to 30 June 2023	1 July 2023 to 30 June 2024	1 July 2024 to 30 June 2025
Yanco Creek System entitlement charge (\$/ML of Entitlement or \$/unit share)	0.90	0.90	0.90	0.90

Schedule 2 Regulated Rivers in Coastal Valleys

1 Application

- (a) This schedule sets out the maximum prices that Water NSW may levy for supplying IPART Act Services under a Water Licence that authorises the extraction of water from a Regulated River in a Coastal Valley (**Coastal Bulk Water Services**), other than Miscellaneous Charges.
- (b) The maximum charges that Water NSW may levy consist of the following:
- (1) an entitlement charge calculated in accordance with clause 2;
 - (2) a usage charge calculated in accordance with clause 3; and
 - (3) any Miscellaneous Charges calculated in accordance with Schedule 4.

2 Entitlement charge

For Coastal Bulk Water Services, the entitlement charge that Water NSW may levy is calculated as follows:

$$EC \times E$$

where:

- (a) EC is the entitlement charge expressed in dollars per megalitre of Entitlement or in dollars per unit share for the relevant Coastal Valley, relevant year and relevant licence type in Table 7; and
- (b) E is a Licence Holder's Entitlement for that year.

[Note: Refer to Schedule 5, clause 2.7 for the calculation of the entitlement charge, and Schedule 5, clause 2.9(c) for the meaning of 'relevant Coastal Valley'.]

3 Usage charge

- (a) For Coastal Bulk Water Services, Water NSW may levy a usage charge for the relevant Coastal Valley calculated as follows:

$$UC \times U$$

where:

- (1) UC is the usage charge expressed in dollars per megalitre of water for the relevant Coastal Valley and relevant year in Table 8; and
 - (2) U is a Licence Holder's usage for that year.
- (b) Water NSW must not recover more than one usage charge in respect of any water used.

[Note: Refer to Schedule 5, clause 2.1(i) for the calculation of a Licence Holder's usage, and Schedule 5, clause 2.9(c) for the meaning of 'relevant Coastal Valley'.]

Tables 7-8

Table 7 Entitlement charges for Coastal Valleys

Coastal Valley	Commencement Date to 30 June 2022	1 July 2022 to 30 June 2023	1 July 2023 to 30 June 2024	1 July 2024 to 30 June 2025
High Security Licence (\$/ML of Entitlement or \$/unit share)				
North Coast	12.99	12.99 x CPI ₁	12.99 x CPI ₂	12.99 x CPI ₃
Hunter	19.02	19.02 x CPI ₁	19.02 x CPI ₂	19.02 x CPI ₃
South Coast	34.03	34.03 x CPI ₁	34.03 x CPI ₂	34.03 x CPI ₃
General Security Licence (\$/ML of Entitlement or \$/unit share)				
North Coast	10.08	10.08 x CPI ₁	10.08 x CPI ₂	10.08 x CPI ₃
Hunter	14.78	14.78 x CPI ₁	14.78 x CPI ₂	14.78 x CPI ₃
South Coast	17.85	17.85 x CPI ₁	17.85 x CPI ₂	17.85 x CPI ₃

Table 8 Usage charges for Coastal Valleys

Coastal Valley	Commencement Date to 30 June 2022 (\$/ML)	1 July 2022 to 30 June 2023 (\$/ML)	1 July 2023 to 30 June 2024 (\$/ML)	1 July 2024 to 30 June 2025 (\$/ML)
North Coast	19.24	19.24 x CPI ₁	19.24 x CPI ₂	19.24 x CPI ₃
Hunter	18.58	18.58 x CPI ₁	18.58 x CPI ₂	18.58 x CPI ₃
South Coast	19.07	19.07 x CPI ₁	19.07 x CPI ₂	19.07 x CPI ₃

Schedule 3 Fish River Water Supply Scheme

1 Application

- (a) This schedule sets out the:
- (1) regulated charges that Water NSW may levy for supplying rural bulk water services to Rural Water Supply Customers in the Fish River Water Supply Scheme; and
 - (2) maximum prices that Water NSW may levy for supplying IPART Act Services to Urban Water Supply Customers in the Fish River Water Supply Scheme,
other than Miscellaneous Charges.
- (b) The regulated charges and maximum prices that Water NSW may levy on Rural Water Supply Customers and Urban Water Supply Customers in the Fish River Water Supply Scheme consist of the following:
- (1) an access charge and a usage charge for each of bulk raw water and bulk filtered water, calculated in accordance with clause 2; and
 - (2) any Miscellaneous Charges calculated in accordance with Schedule 4.
- (c) Subject to paragraph (d), the minimum annual quantity (**MAQ**) for a Rural Water Supply Customer or Urban Water Supply Customer is the MAQ for that customer set out in Table 9.
- (d) Where the Fish River Licence has been amended after the Commencement Date:
- (1) to alter the water allocation for a Major Customer; or
 - (2) to include a water allocation for a new Major Customer,
- the MAQ for that Major Customer is the yearly supply availability for that Major Customer under the Fish River Licence at “Nil” restriction level.

2 Fish River Water Supply Customers

Water NSW may levy the following regulated charges on Rural Water Supply Customers and maximum prices on Urban Water Supply Customers in the Fish River Water Supply Scheme:

- (a) an access charge, expressed in dollars per kilolitre of MAQ, in:
- (1) Table 10 for bulk raw water; and
 - (2) Table 11 for bulk filtered water,
- for the relevant customer and relevant year in that table, multiplied by that customer’s MAQ; and
- (b) a usage charge, expressed in dollars per kilolitre of water used, calculated as follows:

- (1) for each kilolitre of water used up to and including the MAQ for the relevant customer – the first tier usage charge in:
 - (A) Table 10 for bulk raw water; and
 - (B) Table 11 for bulk filtered water,for the relevant year in that table, multiplied by that customer’s usage, up to and including the relevant MAQ; and
- (2) for each kilolitre of water used in excess of the MAQ for the relevant customer – the second tier usage charge in:
 - (A) Table 10 for bulk raw water; and
 - (B) Table 11 for bulk filtered water,for the relevant year in that table, multiplied by that part of the customer’s usage which is in excess of the relevant MAQ

[Note: Water NSW may levy the second tier usage charge in Tables 10 or 11 on a customer in the Fish River Supply Scheme who is not referred to in Table 9. For the avoidance of doubt, the calculations in clause 2 determine the maximum prices for Urban Water Supply Customers in the Fish River Water Supply Scheme and the regulated charges for Rural Water Supply Customers in the Fish River Water Supply Scheme.]

Tables 9-11

Table 9 Fish River Water Supply Scheme customers – minimum annual quantity (MAQ)

	Bulk Raw Water	Bulk Filtered Water
Rural Water Supply Customers		
EnergyAustralia (ML/year)	8,184	
Minor Customers (kL/year)	200	200
Urban Water Supply Customers		
Oberon Council (ML/year)	1,064	
Lithgow City Council (ML/year)		1,778
Water NSW (Greater Sydney) (ML/year)	3,650	

Table 10 Fish River Water Supply Scheme customers – bulk raw water

	Commencement Date to 30 June 2022 (\$/kL)	1 July 2022 to 30 June 2023 (\$/kL)	1 July 2023 to 30 June 2024 (\$/kL)	1 July 2024 to 30 June 2025 (\$/kL)
Access charge				
Major Customers	0.46	0.46 x CPI ₁	0.46 x CPI ₂	0.46 x CPI ₃
Minor Customers	0.46	0.46 x CPI ₁	0.46 x CPI ₂	0.46 x CPI ₃
First tier usage charge				
Major Customers	0.31	0.31 x CPI ₁	0.31 x CPI ₂	0.31 x CPI ₃
Minor Customers	0.31	0.31 x CPI ₁	0.31 x CPI ₂	0.31 x CPI ₃
Second tier usage charge				
Major Customers	0.77	0.77 x CPI ₁	0.77 x CPI ₂	0.77 x CPI ₃
Minor Customers	0.77	0.77 x CPI ₁	0.77 x CPI ₂	0.77 x CPI ₃

Table 11 Fish River Water Supply Scheme customers – bulk filtered water

	Commencement Date to 30 June 2022 (\$/kL)	1 July 2022 to 30 June 2023 (\$/kL)	1 July 2023 to 30 June 2024 (\$/kL)	1 July 2024 to 30 June 2025 (\$/kL)
Access charge				
Major Customers	0.76	0.76 x CPI ₁	0.76 x CPI ₂	0.76 x CPI ₃
Minor Customers	0.76	0.76 x CPI ₁	0.76 x CPI ₂	0.76 x CPI ₃
First tier usage charge				
Major Customers	0.51	0.51 x CPI ₁	0.51 x CPI ₂	0.51 x CPI ₃
Minor Customers	0.51	0.51 x CPI ₁	0.51 x CPI ₂	0.51 x CPI ₃
Second tier usage charge				
Major Customers	1.27	1.27 x CPI ₁	1.27 x CPI ₂	1.27 x CPI ₃
Minor Customers	1.27	1.27 x CPI ₁	1.27 x CPI ₂	1.27 x CPI ₃

Schedule 4 Miscellaneous charges

1 Application

This schedule sets out the regulated charges and maximum prices that Water NSW may levy for supplying various miscellaneous rural bulk water services across MDB Valleys and Coastal Valleys, as well as to customers in the Fish River Water Supply Scheme.

2 Meter service charge

Water NSW may levy the relevant meter service charge set out in Table 12 on the holder of a Water Supply Work Approval for a Water Supply Work with a Government-Owned Meter installed. This charge is expressed in dollars per Government-Owned Meter per annum, and is determined according to the size of the Government-Owned Meter.

3 Meter accuracy testing charge

- (a) Where a customer requests that Water NSW conduct a Meter Accuracy Test, Water NSW may levy the meter accuracy deposit set out in Table 13. Water NSW must return the meter accuracy deposit to the customer if the relevant Government-Owned Meter is not found to be within relevant accuracy standards.
- (b) Where Water NSW conduct a Meter Accuracy Test and the Government-Owned Meter is found to be within the relevant accuracy standards, Water NSW may levy the balance of the total meter accuracy testing charge (that is, the total meter accuracy testing charge set out in Table 13 less the meter accuracy deposit set out in Table 13).

4 Environmental gauging station charge

- (a) Subject to paragraph (b), Water NSW may levy the environmental gauging station charge set out in Table 14 on a Licence Holder each year where:
 - (1) the Water Supply Work nominated under the relevant Water Licence is owned by Water NSW; and
 - (2) that Licence Holder's water usage is measured at an environmental gauging station.
- (b) Water NSW may only levy an environmental gauging station charge from the time that:
 - (1) the relevant gauging station has been identified by Water NSW:
 - (A) as having reached end of life; and

- (B) as requiring upgraded metering equipment to allow a higher grade of metering so as to satisfy the Environmental Water Measurement Standards; and
- (2) the upgrade of the gauging station has commenced (whether or not completed).

5 Other Miscellaneous Charges

Water NSW may levy the other Miscellaneous Charges set out in Table 15.

Tables 12-15

Table 12 Meter service charges

Size of Government-Owned Meter	Commencement Date to 30 June 2022 (\$/year)	1 July 2022 to 30 June 2023 (\$/year)	1 July 2023 to 30 June 2024 (\$/year)	1 July 2024 to 30 June 2025 (\$/year)
50mm	487.82	487.82 x CPI ₁	487.82 x CPI ₂	487.82 x CPI ₃
80mm	490.09	490.09 x CPI ₁	490.09 x CPI ₂	490.09 x CPI ₃
100mm	490.08	490.08 x CPI ₁	490.08 x CPI ₂	490.08 x CPI ₃
150mm	495.84	495.84 x CPI ₁	495.84 x CPI ₂	495.84 x CPI ₃
200mm	498.69	498.69 x CPI ₁	498.69 x CPI ₂	498.69 x CPI ₃
250mm	501.33	501.33 x CPI ₁	501.33 x CPI ₂	501.33 x CPI ₃
300mm	508.14	508.14 x CPI ₁	508.14 x CPI ₂	508.14 x CPI ₃
350mm	538.75	538.75 x CPI ₁	538.75 x CPI ₂	538.75 x CPI ₃
400mm	556.97	556.97 x CPI ₁	556.97 x CPI ₂	556.97 x CPI ₃
450mm	560.49	560.49 x CPI ₁	560.49 x CPI ₂	560.49 x CPI ₃
500mm	575.42	575.42 x CPI ₁	575.42 x CPI ₂	575.42 x CPI ₃
600mm	594.55	594.55 x CPI ₁	594.55 x CPI ₂	594.55 x CPI ₃
700mm	617.28	617.28 x CPI ₁	617.28 x CPI ₂	617.28 x CPI ₃
750mm	649.12	649.12 x CPI ₁	649.12 x CPI ₂	649.12 x CPI ₃
800mm	670.63	670.63 x CPI ₁	670.63 x CPI ₂	670.63 x CPI ₃
900mm	677.44	677.44 x CPI ₁	677.44 x CPI ₂	677.44 x CPI ₃
1,000mm	690.03	690.03 x CPI ₁	690.03 x CPI ₂	690.03 x CPI ₃
Channel	6,393.37	6,393.37 x CPI ₁	6,393.37 x CPI ₂	6,393.37 x CPI ₃

Table 13 Meter accuracy testing charges

Meter accuracy testing charges	Commencement Date to 30 June 2022 (\$)	1 July 2022 to 30 June 2023 (\$)	1 July 2023 to 30 June 2024 (\$)	1 July 2024 to 30 June 2025 (\$)
Meter Accuracy deposit	1,750.00	1,750.00	1,750.00	1,750.00
Total meter accuracy testing charge (if meter is found to be within accuracy standards)				
Verification and testing in situ	6,492.05	1,750.00 + 4,742.05 x CPI ₁	1,750.00 + 4,742.05 x CPI ₂	1,750.00 + 4,742.05 x CPI ₃
Lab verification and testing	8,845.95	1,750.00 + 7,095.95 x CPI ₁	1,750.00 + 7,095.95 x CPI ₂	1,750.00 + 7,095.95 x CPI ₃

Table 14 Environmental gauging station charge

Charge	Commencement Date to 30 June 2022 (\$)	1 July 2022 to 30 June 2023 (\$)	1 July 2023 to 30 June 2024 (\$)	1 July 2024 to 30 June 2025 (\$)
Environmental gauging station charge (\$/annum)	12,456.83	12,456.83 x CPI ₁	12,456.83 x CPI ₂	12,456.83 x CPI ₃

Table 15 Other Miscellaneous Charges

Charge	Commencement Date to 30 June 2022 (\$)	1 July 2022 to 30 June 2023 (\$)	1 July 2023 to 30 June 2024 (\$)	1 July 2024 to 30 June 2025 (\$)
Trade processing charge per application	50.61	50.61 x CPI ₁	50.61 x CPI ₂	50.61 x CPI ₃
Fish River connection charge (per connection)				
Low complexity connection ^a	939.21	939.21 x CPI ₁	939.21 x CPI ₂	939.21 x CPI ₃
Medium complexity connection ^b	3,561.03	3,561.03 x CPI ₁	3,561.03 x CPI ₂	3,561.03 x CPI ₃
High complexity connection ^c	7,280.77	7,280.77 x CPI ₁	7,280.77 x CPI ₂	7,280.77 x CPI ₃
Fish River disconnection charge (per disconnection)	290.44	290.44 x CPI ₁	290.44 x CPI ₂	290.44 x CPI ₃

a Where no tapping band or pressure reducing valve is required.

b Where a tapping band is required.

c Where a pressure reducing valve is required.

Schedule 5 Definitions and interpretation

1 Definitions

1.1 General definitions

In this determination:

2017 Determination means IPART's determination of June 2017 titled *WaterNSW Prices for rural bulk water services from 1 July 2017*.

ACCC means the Australian Competition and Consumer Commission.

BRC means the Dumaresq-Barwon Border Rivers Commission constituted under the New South Wales-Queensland Border Rivers Agreement made in 1946 and ratified under section 5 of the *New South Wales – Queensland Border Rivers Act 1947* (NSW).

Coastal Bulk Water Service has the meaning given in clause 1(a) of Schedule 2.

Coastal Valley has the meaning given in clause 2.9(b) of Schedule 5.

Commencement Date has the meaning given to that term in clause 4.2(a) of the Preliminary section.

Entitlement means the maximum quantity of water that a Licence Holder has a right to take from a Regulated River in a Valley by means of a Water Licence.

[Note: Clause 2.7 of this Schedule 5 sets out how entitlement charges are calculated.]

Environmental Water Measurement Standards means the NSW Interim Water Meter Standards for Open Channel Metering: Version 2.0 or such alternative standards endorsed by the NSW Department of Primary Industries from time to time.

Fish River Licence means the water management licence granted in May 2012 under Part 9 of the Water Act (NSW) pertaining to the taking and use of water from the Fish River and the Duckmaloi River, as amended or replaced from time to time (including, where replaced by a licence or approval under the Water Management Act).

[Note: As at the Commencement Date, the Fish River Licence is available [here](#).]

Fish River Water Supply Scheme has the meaning given to that term in the Water NSW Act.

[Note: Schedule 3 sets out: (i) regulated charges in relation to the Fish River Water Supply Scheme, which are determined under the WCR and (ii) maximum prices for IPART Act Services supplied by Water NSW in the Fish River Water Supply Scheme, which are determined under the IPART Act.]

General Security Licence means a Water Licence of any of the following types (within the meaning of section 57 of the Water Management Act and the regulations made under that Act):

- (a) supplementary water access licence to the extent that it applies to the Lowbidgee Valley;

- (b) the following access licences:
- (1) regulated river (conveyance) access licence;
 - (2) regulated river (general security) access licence;
 - (3) Murrumbidgee Irrigation (conveyance) access licence;
 - (4) Coleambally Irrigation (conveyance) access licence; or
- (c) any other access licence that is not a High Security Licence or a supplementary water access licence.

Government-Owned Meter means an electromagnetic meter or channel meter that is owned by the NSW Government, including any such meter owned by Water NSW, the WAMC or any other NSW government agency or state owned corporation.

High Security Licence means a Water Licence of any of the following types (within the meaning of section 57 of the Water Management Act):

- (a) local water utility access licence;
- (b) major utility access licence;
- (c) domestic and stock access licence; or
- (d) regulated river (high security) access licence.

IPART means the Independent Pricing and Regulatory Tribunal of New South Wales established under the IPART Act.

IPART Act means the *Independent Pricing and Regulatory Tribunal Act 1992* (NSW).

IPART Act Services has the meaning given to that term in clause 2.1(e) of Schedule 6.

Irrigation Corporation has the meaning given to that term under the Water Management Act.

Licence Holder means the holder of a Water Licence.

Licence Register means the Water Access Licence Register kept under Division 3A of Chapter 3, Part 2 of the Water Management Act.

Major Customer means a customer in the Fish River Water Supply Scheme specifically identified in the Fish River Licence.

[Note: At the Commencement Date, the Major Customers are EnergyAustralia, Oberon Council, Lithgow City Council and Water NSW (Greater Sydney).]

MAQ refers to minimum annual quantity and has the meaning given in clauses 1(c) and (d) in Schedule 3.

MDB has the meaning given to the term 'Murray-Darling Basin' in section 18A of the Water Act (Cth).

[Note: An indicative map of the MDB is set out in Schedule 1A of the Water Act (Cth).]

MDB Bulk Water Services has the meaning given in clause 1(a) of Schedule 1.

MDB Valley has the meaning given in clause 2.9(a) of Schedule 5.

MDBA means the Murray-Darling Basin Authority, being the authority established under section 171 of the Water Act (Cth).

Meter Accuracy Test means a test, conducted at a customer's request, of a Government-Owned Meter to determine whether that Government-Owned Meter meets relevant accuracy standards.

Minor Customer means a customer in the Fish River Water Supply Scheme that is not a Major Customer.

Miscellaneous Charge means any charge included in Schedule 4.

Monopoly Service has the meaning given to that term in clause 2.1(d) of Schedule 6.

Pricing Principles means the *Pricing Principles for price approvals and determinations under the Water Charge (Infrastructure) Rules 2010* (July 2011).

Regulated River has the meaning given to that term under the Water Management Act.

Rural Water Supply Customer means a customer in the Fish River Supply Scheme who is not an Urban Water Supply Customer.

Tagged Water Entitlement means a water Entitlement held by a Licence Holder that has been 'tagged' to an extraction point under section 71W of the Water Management Act.

Urban Water Supply Customer means, in relation to the Fish River Water Supply Scheme, a customer who receives IPART Act Services from Water NSW.

[Note: At the Commencement Date, the Urban Water Supply Customers are Oberon Council, Lithgow City Council and Water NSW (Greater Sydney).]

Valley means an MDB Valley or a Coastal Valley, as the case may be.

WAMC means the Water Administration Ministerial Corporation, being the corporation established under section 371 of the Water Management Act, and which is a continuation of, and the same legal entity as, the corporation of that name constituted by the *Water Administration Act 1986* (NSW) (by virtue of clause 17 of Schedule 9 of the Water Management Act).

Water Act (Cth) means the *Water Act 2007* (Cth).

Water Act (NSW) means the *Water Act 1912* (NSW).

Water Licence means an access licence referred to in section 56 of the Water Management Act, of any the following categories (as referred to in section 57 of that Act and the regulations made under that Act):

- (a) regulated river (high security) access licence;
- (b) regulated river (general security) access licence;
- (c) regulated river (conveyance) access licence;
- (d) supplementary water access licence;
- (e) major utility access licence;
- (f) local water utility access licence;

- (g) domestic and stock access licence;
- (h) Murrumbidgee Irrigation (conveyance) access licence;
- (i) Coleambally Irrigation (conveyance) access licence; or
- (j) any other category of access licence that authorises the extraction of water from a Regulated River.

[Note: For the avoidance of doubt, this determination does not apply to floodplain harvesting access licences.]

Water Management Act means the *Water Management Act 2000* (NSW).

Water NSW means the statutory corporation constituted under the Water NSW Act.

Water NSW Act means the *Water NSW Act 2014* (NSW).

Water Services Order means the *Independent Pricing and Regulatory Tribunal (Water Services) Order 2004*.

Water Supply Work has the meaning given to that term in the Water Management Act.

Water Supply Work Approval has the meaning given to that term in the Water Management Act.

WCR means the *Water Charge Rules 2010* (Cth). Unless stated otherwise, a reference in this determination to the WCR is a reference to those rules as in effect immediately before 1 July 2020.

Yanco Creek System has the meaning given to the term 'Yanco System' in Schedule 4 of the *Water Sharing Plan for the Murrumbidgee Regulated River Water Source 2016*.

1.2 Consumer Price Index

- (a) In this determination, CPI means the consumer price All Groups index number for the weighted average of eight capital cities, published by the Australian Bureau of Statistics, or if the Australian Bureau of Statistics does not or ceases to publish the index, then CPI will mean an index determined by IPART.
- (b) In this determination:

$$CPI_1 = \frac{CPI_{March2022}}{CPI_{March2021}}$$

$$CPI_2 = \frac{CPI_{March2023}}{CPI_{March2021}}$$

$$CPI_3 = \frac{CPI_{March2024}}{CPI_{March2021}}$$

Where:

CPI_{March2021} means CPI for the March quarter of 2021;

CPI_{March2022} means CPI for the March quarter of 2022;

CPI_{March2023} means CPI for the March quarter of 2023; and

CPI_{March2024} means CPI for the March quarter of 2024.

2 Interpretation

2.1 General provisions

In this determination:

- (a) headings are for convenience only and do not affect the interpretation of this determination;
- (b) a reference to a schedule, clause, paragraph or table is a reference to a schedule to, clause of, paragraph in, or table in, this determination unless otherwise indicated;
- (c) for a regulated charge determined under the WCR, a construction that would promote the purpose or object expressly or impliedly underlying the WCR and the Pricing Principles is to be preferred to a construction that would not promote that purpose or object;
- (d) for a maximum price determined under the IPART Act, a construction that would promote a purpose or object expressly or impliedly underlying the IPART Act is to be preferred to a construction that would not promote that purpose or object;
- (e) words or expressions importing the singular include the plural and vice versa;
- (f) unless otherwise stated, a reference to a law or statute includes regulations, ordinances, by-laws, rules, codes and other instruments (including licences) under it and consolidations, amendments, re-enactments or replacements of them or of the law or statute itself;
- (g) where a word or expression is defined, other grammatical forms of that word or expression have a corresponding meaning;
- (h) a reference to a day is to a calendar day;
- (i) a reference to a Licence Holder's usage for the purposes of calculating a usage charge as that term is used in Schedules 1 and 2 (including an MDBA/BRC usage charge as that term is used in Schedule 1) means:
 - (1) where the Licence Holder has traded or transferred an allocation of water (including by "tagging" the relevant Water Licence) to a person whose extraction of water is measured by a Government-Owned Meter: the metered volume of water extracted by that person;

- (2) where the Licence Holder has traded or transferred an allocation of water (including by "tagging" the relevant Water Licence) to a person whose extraction of water is not measured by a Government-Owned Meter:
 - (A) if Water NSW has access to relevant and reliable metering information – the metered volume of water extracted by that person; or
 - (B) if relevant and reliable metering information is not reasonably available to Water NSW – Water NSW's best estimate of the volume of water extracted by that person; or
- (3) in any other case: the metered volume of water extracted by the Licence Holder;
- (j) a reference to a person includes a reference to the person's executors, administrators, successors, replacements (including, but not limited to, persons taking by novation), agents and assigns;
- (k) a reference to a body, whether statutory or not:
 - (1) which ceases to exist; or
 - (2) whose powers or functions are transferred to another body;is a reference to the body which replaces it or which substantially succeeds to its powers or functions; and
- (l) a reference to a business name which is replaced by a different business name is taken to be a reference to the replacement business name.

2.2 Explanatory notes, alternative text and clarification notice

- (a) Explanatory notes and examples and alternative text do not form part of this determination, but in the case of uncertainty may be relied on for interpretation purposes.
- (b) IPART may publish a clarification notice in the NSW Government Gazette to correct any manifest error in this determination. Such a clarification notice is taken to form part of this determination.

2.3 Prices exclusive of GST

Prices or charges specified in this determination do not include GST.

2.4 Water NSW's billing cycle

For the avoidance of doubt, nothing in this determination affects when Water NSW may issue a bill to a customer for charges under this determination.

2.5 Annual charges

- (a) The annual charges in this determination apply to each financial year (1 July to 30 June inclusive).
- (b) In respect of any period after the Commencement Date that is less than a full financial year, the annual charges in this determination (other than those calculated by reference to usage) will be pro-rated for that period, based on the proportion that the number of days in that period bears to the number of days in the financial year.

[Note: This clause is not intended to prohibit Water NSW from issuing a bill for any period before 1 July 2021.]

2.6 Billing on behalf of WAMC

Nothing in this determination prevents Water NSW from billing on behalf of WAMC for services provided by WAMC.

2.7 Entitlement charges

For the purpose of calculating an entitlement charge, as that term is used in Schedules 1 and 2 (including an MDBA/BRC entitlement charge as that term is used in Schedule 1):

- (a) a reference to an Entitlement is a reference to an Entitlement without regard to any part of the Entitlement that may be carried over from a previous year;
- (b) where the share component of the Water Licence is expressed as a volume, the entitlement charge is expressed in dollars per megalitre of Entitlement; and
- (c) where the share component of the Water Licence is expressed in unit shares or as a proportion of available water, the entitlement charge is expressed in dollars per unit share.

2.8 Metering of usage charges for Irrigation Corporations

The metering of usage charges for the supply of water to an Irrigation Corporation from a Valley is to be determined at the point or points of off-take from the Regulated River or as set out in that Irrigation Corporation's Water Supply Work Approval.

2.9 MDB and Coastal Valleys

- (a) In this determination, a reference to an MDB Valley is a reference to the relevant Valley in the MDB more fully described in the following table:

MDB Valley	Description
Regulated Rivers	
Border	If a relevant water sharing plan under the Water Management Act is in place for the Border Valley, then the water sources as defined in that plan. In any other case: Border Rivers including the Severn, the Macintyre and Dumaresq rivers down to Mungindi.
Gwydir	If a relevant water sharing plan under the Water Management Act is in place for the Gwydir Valley, then the water sources as defined in that plan. In any other case: Gwydir River and Gwydir Wetlands, Mehi river, Gil Gil Creek and Moomin Creek to the junction with the Barwon River.
Namoi	If a relevant water sharing plan under the Water Management Act is in place for the Namoi, then the water sources as defined in that plan. In any other case: Namoi River to Peel River and Pian Creek to Barwon River.
Peel	If a relevant water sharing plan under the Water Management Act is in place for the Peel Valley, then the water sources as defined in that plan. In any other case: Peel River to junction with Namoi River.
Lachlan	If a relevant water sharing plan under the Water Management Act is in place for the Lachlan Valley and Belubula River, then the water sources as defined in those plans. In any other case: Lachlan and Belubula River to the Murrumbidgee River junction.
Macquarie	If a relevant water sharing plan under the Water Management Act is in place for the Macquarie Valley, then the water sources as defined in that plan. In any other case: Macquarie River, the Cudgegong and Bogen rivers to junction with Darling River.
Murray	If a relevant water sharing plan under the Water Management Act is in place for the Murray Valley, then the water sources as defined in that plan. In any other case: Murray River including the Darling River below Menindee.
Murrumbidgee	If a relevant water sharing plan under the Water Management Act is in place for the Murrumbidgee Valley, then the water sources as defined in that plan (excluding Lowbidgee extractions). In any other case: Murrumbidgee River to junction with Murray River, including Yanco, Columbo and Billabong Creeks and Tumut River.
Lowbidgee	If a relevant water sharing plan under the Water Management Act is in place for the Lowbidgee Valley, then the water sources for the Lowbidgee area as defined in that plan. In any other case: the area of the former Lowbidgee Flood Control and Irrigation District, as constituted under the former Part 7 of the Water Act (NSW), plus a small additional area required to incorporate the whole of the water body Lake Marimley in the water source

- (b) In this determination, a reference to a Coastal Valley is a reference to the relevant Valley more fully described in the following table:

Coastal Valley	Description
Regulated Rivers	
North Coast	If a water sharing plan under the Water Management Act is in place for the North Coast Valley, then the water sources as defined in that plan. In any other case: Regulated flows for Iron Pot and Eden Creeks.
Hunter	If a water sharing plan under the Water Management Act is in place for the Hunter Valley and Paterson River, then the water sources as defined in those plans. In any other case: Hunter River, including Paterson River and Glennies Creek.
South Coast	If a water sharing plan under the Water Management Act is in place for the South Coast Valley, then the water sources as defined in that plan. In any other case: Brogo and Bega River Catchments.

- (c) A reference in this determination to the 'relevant MDB Valley' or the 'relevant Coastal Valley' (other than in the case of the usage component of a licence) is a reference to the MDB Valley or the Coastal Valley for a Licence Holder as set out in the Licence Register. In the case of the usage component of a licence, the 'relevant MDB Valley' or the 'relevant Coastal Valley' is:
- (1) in the case of a Tagged Water Entitlement: the MDB Valley or Coastal Valley as set out in the Licence Register for the Licence Holder whose nomination of the 'tagged' extraction point has been approved under section 71W of the Water Management Act; and
 - (2) in the case of a licence transfer, or an assignment of rights or water allocations, each under Chapter 3, Part 2 of the Water Management Act: the MDB Valley or Coastal Valley as set out in the Licence Register for the transferor or assignee (as the case may be).

Schedule 6 Requirements of the WCR and IPART Act

1 Requirements of the WCR

1.1 IPART's determination under the WCR

- (a) Water NSW's pricing proposal was submitted on 30 June 2020 and is therefore a 'transitional application' under rule 81(2) (Transition for existing Part 6 operators) of the WCR (as currently in force). As such, the charges to which Water NSW's application relates are to be determined or approved in accordance with Part 6 of the WCR as in force immediately before 1 July 2020 (see the definition of WCR in Schedule 5).
- (b) Water NSW has applied under rule 25 of the WCR for approval of its regulated charges for the regulatory period commencing 1 July 2021. Under rule 29 of the WCR, IPART must not approve the regulated charges set out in Water NSW's application unless it is satisfied that:
 - (1) Water NSW's regulatory asset base, which is used to calculate the regulated charges, has been determined in accordance with Schedule 2 of the WCR;
 - (2) Water NSW's total forecast revenue (from all sources) for the regulatory period is reasonably likely to meet the prudent and efficient costs of providing infrastructure services in that regulatory period; and
 - (3) the forecast revenue from regulated charges is reasonably likely to meet that part of the prudent and efficient costs of providing infrastructure services that is not met from other revenue.
- (c) Under rule 29(3) of the WCR, if IPART is not satisfied as to the matters referred to in clause 1.1(b)(1) to (3) above, then IPART must determine Water NSW's regulated charges:
 - (1) on the basis of Water NSW's regulatory asset base, determined in accordance with Schedule 2 of the WCR; and
 - (2) so as to be satisfied as to the matters referred to in clause 1.1(b)(2) and (3) above.
- (d) IPART is not satisfied as to the matters referred to in clause 1.1(b)(1) to (3) above in relation to the regulated charges set out in Water NSW's application, and has therefore determined Water NSW's regulated charges in accordance with the requirements of rule 29(3) of the WCR.
- (e) In making this determination, IPART has also:
 - (1) had regard to whether the regulated charges would contribute to achieving the Basin water charging objectives and principles set out in Schedule 2 of the Water Act (Cth), consistent with rule 29(4) of the WCR; and
 - (2) applied the Pricing Principles in accordance with the conditions of its accreditation by the ACCC under Part 9 of the WCR.

1.2 Regulated charges

- (a) For the purposes of this determination, Water NSW's 'regulated charges' are:
 - (1) the fees or charges payable to Water NSW for access to Water NSW's irrigation network, or services provided in relation to that access; and
 - (2) Water NSW's bulk water charges.
- (b) The Regulated Rivers in MDB Valleys for which IPART has determined regulated charges are described in clause 2.9(a) of Schedule 5. In summary, Schedules 1 and 4 cover Regulated Rivers in the following MDB Valleys:
 - (1) Border;
 - (2) Gwydir;
 - (3) Namoi;
 - (4) Peel;
 - (5) Lachlan;
 - (6) Macquarie;
 - (7) Murray;
 - (8) Murrumbidgee; and
 - (9) Lowbidgee.
- (c) Under section 91(3) of the Water Act (Cth), the WCR do not apply to charges for 'urban water supply activities' beyond the point at which the water has been removed from a Basin water resource. As a result, in the Fish River Water Supply Scheme, IPART sets maximum prices for Urban Water Supply Customers under the IPART Act, and regulated charges for Rural Water Supply Customers under the WCR. The regulated charges that Water NSW may levy in the Fish River Water Supply Scheme are set out in Schedule 3, and the Miscellaneous Charges in Schedule 4.

1.3 Monitoring

The ACCC retains monitoring, enforcement and advisory functions under the Water Act (Cth) in relation to the determination of charges under the WCR.

2 Determination under the IPART Act

2.1 Coverage of this determination

- (a) Section 11 of the IPART Act provides IPART with a standing reference to conduct investigations and make reports to the Minister on the determination of the pricing for a government monopoly service that is supplied by a government agency specified in Schedule 1 to the IPART Act.

- (b) Water NSW is listed as a government agency in Schedule 1 to the IPART Act, but excluding the services provided by Water NSW in respect of which fees or charges may be approved or determined in accordance with Parts 6 or 7 of the WCR, or the applied provisions² under Part 3B of the IPART Act.
- (c) Section 4(1) of the IPART Act provides that a government monopoly service is a service supplied by a government agency and declared to be a government monopoly service. Section 4(7) of the IPART Act provides that Water NSW is taken to be the supplier of any government monopoly services for which fees and charges are payable under the Water NSW Act.
- (d) The Water Services Order declares certain services provided by the 'State Water Corporation' to be government monopoly services, namely:
 - (1) the making available of water;
 - (2) the making available of the State Water Corporation's water supply facilities; or
 - (3) the supplying of water, whether by means of the State Water Corporation's water supply facilities or otherwise,(together, **Monopoly Services**).

References to the former State Water Corporation in the Water Services Order are to be read as references to Water NSW, in accordance with clause 24 of Schedule 2 of the Water NSW Act.

- (e) Accordingly, under the IPART Act, IPART is to conduct an investigation and make a report to the Minister that determines maximum prices for Monopoly Services supplied by Water NSW for which fees and charges may not be determined under the WCR (**IPART Act Services**).
- (f) Schedules 2 and 4 cover Water NSW's IPART Act Services that are supplied in the:
 - (1) North Coast;
 - (2) Hunter; and
 - (3) South Coast.
- (g) For Urban Water Supply Customers in the Fish River Water Supply Scheme, the maximum prices that Water NSW may levy are set out in Schedule 3, and the Miscellaneous Charges in Schedule 4.

2.2 Requirements of the IPART Act

- (a) In determining the pricing of the IPART Act Services, IPART has had regard to a broad range of matters, including the matters in section 15(1) of the IPART Act.
- (b) In accordance with section 13A of the IPART Act, IPART has fixed maximum prices for the IPART Act Services supplied by Water NSW.

² The 'applied provisions' include, among other things, Divisions 2, 3 and 4 of Part 6 of the WCR, and Schedule 2 of the WCR. These provide for the determination of regulated charges for Water NSW.

- (c) Under section 18(2) of the IPART Act, Water NSW may not fix a price for IPART Act Services below that determined by IPART without the approval of the Treasurer.

2.3 Monitoring

For IPART Act Services supplied by Water NSW, IPART may monitor Water NSW's performance for the purposes of:

- (a) establishing and reporting on the level of Water NSW's compliance with this determination in relation to the supply of IPART Act Services; and
- (b) preparing a periodic review of pricing policies in respect of the IPART Act Services.