

4 May 2018



WHAT

IPART has received a direction from the NSW Government under section 16A of the *Independent Pricing and Regulatory Tribunal Act 1992* (IPART Act).

This direction applies to our review of **prices for WaterNSW's Murray River to Broken Hill pipeline (the pipeline) services from 1 July 2019**. This review will determine WaterNSW's maximum prices for its bulk water transportation services provided by the pipeline. This will include the price that Essential Energy will pay to WaterNSW for these services.



HOW

The section 16A direction to IPART requires us to include in WaterNSW's pipeline prices the efficient costs of it complying with the following two Government directions:

- ▼ The direction to WaterNSW to build, operate and maintain a pipeline from the Murray River to Broken Hill (available [here](#)).
- ▼ The direction to WaterNSW to construct the pipeline substantially of Australian rolled steel and meet the minimum targets of the NSW Infrastructure Skills Legacy Program (available [here](#)).

The section 16A direction to IPART does not affect the timetable for this review.



RELATED REVIEW

At the same time as the pipeline review, we will also review what customers in Broken Hill should pay for **Essential Energy's water and sewerage services** from 1 July 2019.

Our review of Essential Energy's prices in Broken Hill will consider a range of factors, including the efficient costs of delivering services, affordability and other potential impacts on customers and the broader community (see section 15 of the [IPART Act](#)).



WHAT NEXT

Our reviews of prices for WaterNSW's pipeline services and Essential Energy's water and sewerage services in Broken Hill will formally commence with pricing proposals provided by WaterNSW and Essential Energy in late June 2018. These will be available on IPART's website.

These price reviews will include comprehensive consultation with stakeholders and the community through public hearings and written submissions in response to our Issues Papers and Draft Reports.

IPART will release its Issues Papers in September 2018, with a public hearing to be held in Broken Hill in November 2018.

IPART is scheduled to release its Draft Reports and Determinations in early April 2018, and its Final Reports and Determinations in late May 2018, with prices to apply from 1 July 2019.