

## FACT SHEET

### Prices and bills for regulated river users

Based on *Review of prices for the Water Administration Ministerial Corporation - Determination and Final Report*, February 2011, and *Review of bulk water charges for the State Water Corporation - Determination and Final Report*, June 2010

The Independent Pricing and Regulatory Tribunal of NSW (IPART) has set the maximum prices that the NSW Office of Water (NOW) and the State Water Corporation (State Water) can charge for the monopoly services they deliver. IPART's full report and determination are available on IPART's website ([www.ipart.gov.au](http://www.ipart.gov.au)). The prices in the determination have been adjusted for inflation to bring them to 2011/12 dollars for this fact sheet.

This fact sheet sets out the charges that will apply to customers in 2011/12 and to demonstrate how water bills are calculated.

Licence holders on regulated rivers are billed for 2 charges: a water management charge from NOW, and entitlement and usage charges from State Water. Note that regulated river customers must pay the minimum bill of \$101.13 if their calculated water management charge from NOW comes to below \$101.13 (ie, customers must pay the higher of \$101.13 or their calculated water management charge).

This fact sheet provides an outline of the calculation of NOW's water management charges for licence holders on regulated rivers. The list of entitlement charges, usage charges and example calculations for a hypothetical customer are contained in Tables 1-3 (pages 2-3).

For both NOW and State Water bills, the calculation of entitlement charges for Water Act (WA) licences (which are denominated in megalitres) and Water Management Act (WMA) licences (which are denominated in unit shares) use the same formula.

**To calculate the water charge billed to them by State Water, customers with WA licences and customers with WMA licences should use the following formula:**

$$EC \times E + U \times W$$

Where:

- ▼ EC is a single entitlement (fixed) charge that retains the same value whether it's in dollars per megalitre of entitlement (WA licence) or in dollars per unit share (WMA licence) in Tables 1 and 2.
- ▼ E is a licence holder's Entitlement in megalitres or unit shares.
- ▼ U is a usage charge expressed in dollars per megalitre.
- ▼ W is a licence holder's water usage for that year in megalitres.

**NOW's water management charges for customers with WA licences and customers with WMA licences are calculated as follows:**

$$EC \times E + U \times W$$

Where:

▼ **EC** is a single entitlement (fixed) charge that retains the same value whether it's in dollars per megalitre of entitlement (WA licence) or in dollars per unit share (WMA licence) in Table 3.

- ▼ **E** is a licence holder's Entitlement in megalitres or unit shares.
- ▼ **U** is a usage charge expressed in dollars per megalitre.
- ▼ **W** is a licence holder's water usage for that year in megalitres.

**Table 1 State Water charges for a hypothetical High Security regulated river customer with an entitlement of 100ML and usage of 50ML (\$2011/12)**

Valley	State Water High Security Entitlement Charge (\$/ML or \$/unit share)	Total State Water High Security Entitlement Charge (100ML entitlement) (\$)	State Water Usage Charge (\$/ML)	Total State Water Usage Charge (50ML Usage) (\$)	Total State Water bill (\$)
	$EC$	$EC \times E$	$U$	$U \times W$	$EC \times E + U \times W$
Border	8.37	837	8.64	432	1,269
Gwydir	12.51	1,251	12.53	627	1,878
Namoi	13.56	1,356	19.55	978	2,334
Peel	17.39	1,739	33.01	1,651	3,390
Lachlan	10.01	1,001	16.29	815	1,816
Macquarie	8.44	844	12.45	623	1,467
Murray	2.85	285	4.89	245	530
Murrumbidgee	2.69	269	3.70	185	454
North Coast	7.39	739	35.74	1,787	2,526
Hunter	25.54	2,554	14.59	730	3,284
South Coast	15.19	1,519	32.03	1,602	3,121

**Table 2 State Water charges for a hypothetical General Security regulated river customer with an entitlement of 100ML and usage of 50ML (\$2011/12)**

Valley	State Water High Security Entitlement Charge (\$/ML or \$/unit share)	Total State Water High Security Entitlement Charge (\$)	State Water Usage Charge (\$/ML)	Total State Water Usage Charge (\$)	Total State Water bill (\$)
	$EC$	$EC \times E$	$U$	$U \times W$	$EC \times E + U \times W$
Border	3.48	348	8.64	432	780
Gwydir	4.13	413	12.53	627	1,040
Namoi	9.00	900	19.55	978	1,878
Peel	2.20	220	33.01	1,651	1,871
Lachlan	4.14	414	16.29	815	1,229
Macquarie	3.93	393	12.45	623	1,016
Murray	2.32	232	4.89	245	477
Murrumbidgee	1.60	160	3.70	185	345
North Coast	5.75	575	35.74	1,787	2,362
Hunter	8.82	882	14.59	730	1,612
South Coast	8.01	801	32.03	1,602	2,403

**Table 3 NOW charges for a hypothetical General or High Security regulated river customer with an entitlement of 100ML and usage of 50ML (\$2011/12)**

Valley	NOW Entitlement charge (\$/ML or \$/unit share)	Total NOW Entitlement charge (\$)	NOW Usage Charge (\$/ML)	Total NOW Usage Charge (\$)	Total NOW bill (\$)
	$EC$	$EC \times E$	$U$	$U \times W$	$EC \times E + U \times W$
Border	2.07	207	1.59	80	287
Gwydir	1.08	108	0.99	50	158
Namoi	1.90	190	1.30	65	255
Peel	1.56	156	2.47	124	280
Lachlan	1.24	124	1.43	72	196
Macquarie	1.39	139	1.34	67	206
Murray	1.38	138	0.90	45	183
Murrumbidgee	1.08	108	0.69	35	143
North Coast	3.73	373	3.69	185	558
Hunter	1.82	182	1.17	59	241
South Coast	3.34	334	3.74	187	521