

FACT SHEET

Prices and bills for unregulated river users - No Change in 2014/15

Based on *Review of prices for the Water Administration Ministerial Corporation - Determination and Final Report*, February 2011

The Independent Pricing and Regulatory Tribunal of NSW (IPART) has set the maximum prices that the NSW Office of Water (NOW) can charge for the monopoly services it delivers on behalf of the Water Administration Ministerial Corporation (WAMC). IPART's full report and determination are available on IPART's website:

www.ipart.nsw.gov.au

There has been no change in prices from 1 July 2014 for unregulated river users because, at NOW's request, NOW's next price determination has been deferred.

This fact sheet sets out the charges that will apply to customers from 1 July 2014 and demonstrates how water bills are calculated.

Licence holders on unregulated rivers are billed a water management charge from NOW. Note that unregulated river customers must pay the minimum bill of \$105.34 if their calculated water management charge from NOW is below \$105.34 (ie, customers must pay the higher of \$105.34 and their calculated water management charge).

NOW's water management charge for customers on area-based charges is \$31.25 per hectare. These area-based charges only apply in the Far West.

NOW's water management charges for most water entitlement holders are comprised of a single entitlement charge (in the absence of a meter) or an entitlement charge and a usage charge (where the licence holder has a meter).

The list of entitlement charges, usage charges and example bill calculations for water entitlement holders are shown in Tables 1 and 2.

Where the water licence holder has a meter, the maximum annual charge is based on a fixed and usage component as follows:

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

Where:

- ▼ EC is an entitlement (fixed) charge expressed in dollars per megalitre of entitlement or in dollars per unit share in Table 1.
- ▼ 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.

Where the licence holder does not have a meter, the annual charge is as follows:

$$EC \times E$$

Where:

- ▼ EC is an entitlement (fixed) charge expressed in dollars per megalitre of entitlement or in dollars per unit share in Table 2.
- ▼ E is a licence holder's entitlement in megalitres or unit shares.

NOW's water management charges for customers on area-based charges are as follows:

$$AC \times A$$

Where:

- ▼ **AC** is an area-based charge in dollars per hectare.

- ▼ **A** is a licence holder's authorised area of irrigation as set out in that holder's WMA (Water Management Act) or WA (Water Act) licence for that year.

Table 1 Water bill for a hypothetical unregulated river customer on a 2-part tariff with entitlement of 100ML and metered usage of 50ML (\$2014/15)

Valley	NOW Entitlement charge (\$/ML)	Total NOW Entitlement charge (\$)	NOW Usage Charge (\$/ML)	Total NOW Usage Charge (\$)	Total NOW bill (\$)
	<i>EC</i>	<i>EC × E</i>	<i>U</i>	<i>U × W</i>	<i>(EC × E) + (U × W)</i>
Border	3.73	373	1.60	80	454
Gwydir	3.73	373	1.60	80	454
Namoi	3.73	373	1.60	80	454
Peel	3.73	373	1.60	80	454
Lachlan	5.87	587	2.52	126	713
Macquarie	5.87	587	2.52	126	713
Far West	4.67	467	2.00	100	567
Murray	6.77	677	2.91	145	822
Murrumbidgee	8.30	830	3.55	178	1007
North Coast	7.00	700	3.00	150	851
Hunter	2.30	230	2.17	109	339
South Coast	2.26	226	1.48	74	300

Note: Total bills may not add due to rounding.

Table 2 Water bill for a hypothetical unregulated river customer on a 1-part tariff with entitlement of 100ML (\$2014/15)

Valley	NOW Entitlement charge (\$/ML)	Total NOW Entitlement charge (\$)
	<i>EC</i>	<i>EC × E</i>
Border	5.34	534
Gwydir	5.34	534
Namoi	5.34	534
Peel	5.34	534
Lachlan	8.39	839
Macquarie	8.39	839
Far West	6.67	667
Murray	9.67	967
Murrumbidgee	11.85	1185
North Coast	10.01	1001
Hunter	4.48	448
South Coast	3.74	374

Note: Total bills may not add due to rounding.