

Media Release

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IPART seeks feedback on utilities' proposed costs and prices for water management and rural bulk water in NSW

The Independent Pricing and Regulatory Tribunal (IPART) is currently reviewing costs and prices for water management services provided by the Water Administration Ministerial Corporation (WAMC) and for rural bulk water services provided by Water NSW. IPART's reviews will set new prices for these services to apply from 1 July 2021.

Chair Dr Paul Paterson said IPART's price reviews will focus on assessing whether the proposed cost increases are justified.

"WAMC is proposing large increases in water planning, management and regulation costs. It has indicated these increases are needed to meet its customers' priorities and provide a higher level of service than in the past," Dr Paterson said.

He said Water NSW has proposed large increases in costs to maintain its service levels and meet its regulatory and legislative requirements. It is also seeking to pass on large cost increases of the Murray-Darling Basin Authority and Dumaresq-Barwon Border Rivers Commission to prices in some valleys.

"We will need to consider how the WAMC and Water NSW proposals sit together and form a consistent view about what customers should pay, and how costs should be shared between customers and the broader community," Dr Paterson said.

He said that IPART is very mindful of the potential impacts on customers of sharp rises in prices.

"We recognise that regional and rural customers and communities have endured a long and extreme drought, bushfires and the ongoing effects of the COVID-19 pandemic. We will seek to balance a range of factors including the need to set prices that reflect efficient costs as well as customer bill impacts and affordability," Dr Paterson said.

Dr Paterson encouraged customers, communities and other stakeholders to make submissions to the two reviews.

IPART will consider all comments made through its website and in submissions. Submissions are due by 16 October 2020. IPART's Issues Papers along with WAMC's and Water NSW's pricing proposals are available on IPART's website.

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