

NORTHERN VALLEYS DRAFT RURAL WATER PRICES RELEASED

The Independent Pricing and Regulatory Tribunal (IPART) is seeking feedback on its draft determination of prices that WaterNSW can charge for its monopoly water management services in the Gywdir, Namoi, Peel and Border valleys.

IPART Chair Dr Peter Boxall said the draft determination means significant reductions in the overall revenue that WaterNSW can collect from its customers, with bill impacts depending on the type of licence held.

“Most high security WaterNSW rural customers in the northern valleys would see their bills fall, with savings of about 0.4% in the Namoi, 2.9% in the Gywdir and Peel, and 3.1% in the Border valley per year, with inflation, from 1 July 2017 under the draft decisions,” Dr Boxall said.

“This means bills would increase for general security customers in the Gywdir, Namoi and Peel valleys, as general and high security premiums are rebalanced to reflect the general availability of water in these valleys.”

The determination also reflects a substantial reduction in entitlement charges (between 30% and 41%), as well as a decrease in usage charges (by about 6%) for customers in the Peel valley.

Customers in the Border Valley pay WaterNSW’s bulk water charges as well as charges for the Border Rivers Commission (BRC). Dr Boxall noted that BRC pass-through costs are rising, and that IPART is proposing to change the tariff structure for BRC charges from 40:60 to 80:20 fixed to variable.

IPART is seeking comments from stakeholders on its Draft Report and Draft Determination. Submissions are due by 17 April 2017 and will be considered before final prices are released in June, to apply from 1 July 2017.

A public hearing will also be held in Sydney on 4 April 2017.